

U.S. International Transactions, Fourth Quarter and Year 1994

By Christopher L. Bach

FOURTH QUARTER 1994

THE U.S. current-account deficit increased to \$44.8 billion in the fourth quarter from \$40.8 billion (revised) in the third (table A).¹ The deficit on merchandise trade decreased and the surplus on services increased. However, these changes were more than offset by an increase in the deficit on investment income and larger net unilateral transfers.

In the capital account, net recorded capital inflows decreased to \$45.8 billion in the fourth quarter from \$54.4 billion in the third. A step-up in outflows for U.S. assets abroad more than offset a step-up in inflows for foreign assets in the United States.

1. Quarterly estimates of U.S. current- and capital-account components are seasonally adjusted when statistically significant seasonal patterns are present. The accompanying tables present both adjusted and unadjusted estimates.

The statistical discrepancy—errors and omissions in recorded transactions—was an outflow of \$1.0 billion in the fourth quarter, compared with an outflow of \$13.6 billion in the third.

The following are highlights for the fourth quarter of 1994:

- The merchandise trade deficit fell, as exports accelerated while imports slowed from their rapid increases in recent quarters.
- The surplus on services increased, but less strongly than in recent quarters.
- The deficit on investment income increased sharply.
- Net unilateral transfers increased as a result of a bunching of U.S. Government grants.
- The step-up in outflows for U.S. assets abroad was mostly attributable to a shift to an increase in U.S. bank-reported claims.

Table A.—Summary of U.S. International Transactions

(Millions of dollars, seasonally adjusted)

Line	Lines in tables 1 and 10 in which transactions are included are indicated in ()	1993	1994 ^r	Change: 1993-94	1993				1994				Change: 1994 III-IV
					I	II	III	IV	I ^r	II ^r	III ^r	IV ^r	
1	Exports of goods, services, and income (1)	755,533	832,871	77,338	184,968	188,906	186,565	195,095	194,616	202,299	212,928	223,032	10,104
2	Merchandise, excluding military (2)	456,866	502,729	45,863	111,664	113,787	111,736	119,679	117,848	122,510	127,632	134,739	7,107
3	Services (3)	184,811	195,287	10,476	45,577	46,318	46,316	46,600	46,889	47,921	49,670	50,810	1,140
4	Income receipts on investments (11)	113,856	134,855	20,999	27,727	28,801	28,513	28,816	29,879	31,868	35,626	37,483	1,857
5	Imports of goods, services, and income (15)	-827,312	-954,422	-127,110	-197,535	-207,308	-206,808	-215,661	-219,756	-231,755	-245,703	-257,211	-11,508
6	Merchandise, excluding military (16)	-589,441	-669,093	-79,652	-140,855	-147,514	-148,224	-152,848	-154,900	-164,231	-172,247	-177,715	-5,468
7	Services (17)	-127,961	-135,293	-7,332	-30,808	-31,661	-32,086	-33,407	-34,157	-32,837	-33,793	-34,509	-716
8	Income payments on investments (25)	-109,910	-150,036	-40,126	-25,872	-28,133	-26,498	-29,406	-30,699	-34,687	-39,663	-44,987	-5,324
9	Unilateral transfers (29)	-32,117	-34,121	-2,004	-7,283	-7,200	-7,613	-10,021	-7,098	-8,371	-8,073	-10,579	-2,506
10	U.S. assets abroad, net (increase/capital outflow (-)) (33)	-147,898	-125,687	22,211	-12,659	-35,966	-35,651	-63,622	-48,456	-7,251	-25,849	-44,136	-18,287
11	U.S. official reserve assets, net (34)	-1,379	5,346	6,725	-983	822	-545	-673	-59	3,537	-165	2,033	2,198
12	U.S. Government assets, other than official reserve assets, net (39)	-306	-278	28	488	-281	-192	-321	490	462	-270	-961	-691
13	U.S. private assets, net (43)	-146,213	-130,755	15,458	-12,164	-36,507	-34,915	-62,628	-48,887	-11,250	-25,414	-45,208	-19,794
14	Foreign assets in the United States, net (increase/capital inflow (+)) (48)	230,698	314,614	83,916	16,772	51,829	71,934	90,162	95,130	49,309	80,254	89,921	9,667
15	Foreign official assets, net (49)	71,681	38,912	-32,769	10,968	17,492	19,259	23,962	11,530	8,925	19,460	-1,003	-20,463
16	Other foreign assets, net (56)	159,017	275,702	116,685	5,804	34,337	52,675	66,200	83,600	40,384	60,794	90,924	30,130
17	Allocations of special drawing rights (62) .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
18	Statistical discrepancy (63)	21,096	-33,255	-54,351	15,737	9,739	-8,427	4,047	-14,436	-4,231	-13,557	-1,027	12,530
19	Memorandum: Balance on current account (70)	-103,896	-155,673	-51,777	-19,850	-25,602	-27,856	-30,587	-32,238	-37,827	-40,848	-44,758	-3,910

^r Revised.

^p Preliminary.

- The step-up in inflows for foreign assets in the United States was attributable to sharply higher inflows for nearly all major types of private assets.
- The U.S. dollar depreciated slightly in the foreign exchange markets.

U.S. dollar in exchange markets

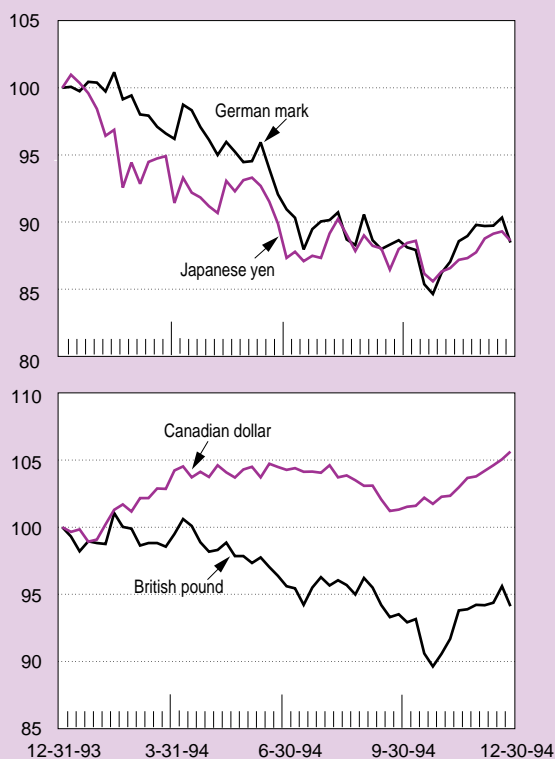
In the fourth quarter, the U.S. dollar depreciated 1 percent on a trade-weighted quarterly average basis against the European, Japanese, and Canadian currencies and appreciated strongly against the Mexican peso ([table B](#), [chart 1](#)).

Early in the quarter, the dollar weakened further amid concerns that U.S. interest rates had

CHART 1

Indexes of Foreign Currency Price of the U.S. Dollar

December 31, 1993=100



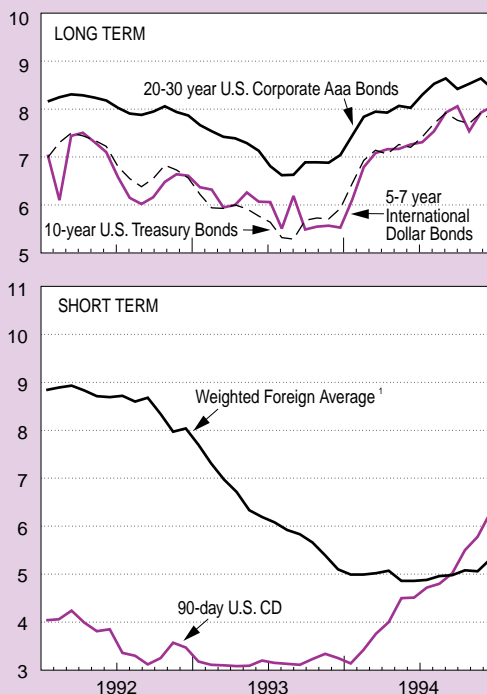
Indexes prepared by BEA from weekly data.

U.S. Department of Commerce, Bureau of Economic Analysis

CHART 2

U.S. and Foreign Interest Rates

Percent



1. Interest rates for 3-month interbank loans or short-term paper for other Group of 10 countries and Switzerland weighted by average total trade shares in 1972-76.

Data: Federal Reserve Board, OECD.

U.S. Department of Commerce, Bureau of Economic Analysis

Table B.—Indexes of Foreign Currency Price of the U.S. Dollar

[December 1980=100]

	1993	1994					1993	1994											
	IV	I	II	III	IV	Dec.	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	
Trade-weighted average against 26 currencies ¹	102.7	102.2	100.8	98.7	98.1	103.3	102.8	101.9	101.8	101.4	101.5	99.5	99.7	99.1	97.3	96.5	98.6	99.1	
Trade-weighted average against 10 currencies ²	104.3	105.1	102.2	97.7	96.8	105.3	106.2	105.4	103.8	103.8	102.1	100.8	98.0	98.2	96.9	95.3	96.5	98.6	
Selected currencies: ³																			
Canada	110.8	112.1	115.6	114.7	114.4	111.3	110.1	112.2	114.1	115.6	115.4	115.7	115.6	115.3	113.2	112.9	114.1	116.2	
European currencies:																			
Belgium	113.3	112.5	108.1	101.6	100.7	112.8	114.4	113.0	110.2	110.5	107.8	105.9	102.1	101.9	100.7	98.8	101.0	102.2	
France	128.2	128.7	124.8	117.3	116.4	128.4	130.0	129.5	126.5	127.7	124.6	122.1	117.9	117.7	116.3	114.2	116.1	118.9	
Germany	85.6	87.6	84.5	79.4	78.5	87.0	88.6	88.3	86.0	86.4	84.3	82.8	79.7	79.6	78.8	77.3	78.3	79.9	
Italy	177.4	180.4	171.7	168.1	169.9	181.4	181.4	181.4	178.3	175.4	169.8	169.8	167.2	169.8	167.2	164.6	169.8	175.4	
Netherlands	88.4	90.5	87.3	82.0	81.0	89.7	91.4	91.1	89.0	89.3	87.1	85.4	82.3	82.3	81.3	79.7	80.8	82.4	
Switzerland	82.4	81.5	79.0	73.6	72.8	82.2	82.6	81.8	80.2	80.7	79.3	77.1	74.3	74.0	72.4	71.0	72.7	74.6	
United Kingdom	157.4	157.8	156.1	151.3	148.2	157.4	157.3	158.7	157.4	158.4	156.1	153.8	151.8	152.2	149.9	146.2	147.7	150.6	
Japan	51.5	51.3	49.2	47.2	47.1	52.3	53.1	50.6	50.1	49.3	49.4	48.8	46.9	47.0	46.8	46.7	46.7	47.7	

1. Currencies of 22 OECD countries—Australia, Austria, Belgium-Luxembourg, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom—plus Hong Kong, Republic of Korea, Singapore, and Taiwan. Data: U.S. Department of the Treasury. End-of-month rates for months; averages of end-of-month rates for quarters.

2. Currencies of Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Sweden, Switzerland, and United Kingdom. Data: Federal Reserve Board. Monthly and quarterly average rates. Index rebased by BEA.

3. Data: Federal Reserve Board. Monthly and quarterly average rates. Indexes prepared by BEA.

not yet risen sufficiently to restrain U.S. economic growth and potential inflation. Following especially intense selling pressure on the dollar in late October, U.S. monetary authorities purchased \$800 million against sales of German marks and an equal amount against sales of Japanese yen on November 2 and purchased \$500 million against sales of German marks and an equal amount against sales of Japanese yen on November 3. After the Federal Reserve's decision to raise the federal funds rate and the discount rate by 75 basis points in mid-November, the dollar rebounded and continued to appreciate through the end of the year. These interest rate increases added further to large, positive interest-rate differentials in favor of U.S. dollar assets and contributed to the dollar's appreciation and to dollar inflows through yearend (charts 2 and 3). (Early in 1995, the dollar's depreciation resumed.)

The U.S. dollar was unchanged against the Canadian dollar for the quarter. However, the U.S. dollar appreciated after the mid-November rise in U.S. interest rates, when interest-rate differentials in favor of the U.S. dollar widened substantially.

From the beginning of the quarter through December 19, the Mexican peso depreciated 2 percent against the dollar, staying within the per-

missible range set by the Mexican Government. On December 20, Mexican authorities reduced the peso's lowest permissible value against the dollar, and the peso immediately fell by the full 12 percent permitted by the new range. On December 22, with heavy market pressure against the peso, the Mexican Government permitted the peso to fluctuate freely in exchange markets. The peso immediately declined another 16 percent, bringing the total decline to 30 percent by the end of the quarter. Also on December 22, Mexican and U.S. monetary authorities jointly announced that they had activated a pre-existing swap facility of \$6.0 billion, in order to provide short-term financial resources to the Mexican Government.

Current Account

Goods and services

The deficit on goods and services decreased to \$26.7 billion in the fourth quarter from \$28.7 billion in the third. The deficit on merchandise trade decreased and the surplus on services increased.

Merchandise trade.—The U.S. merchandise trade deficit decreased to \$43.0 billion in the fourth quarter from \$44.6 billion in the third. The smaller deficit reflected stronger growth in exports than in imports.

Exports.—Merchandise exports increased \$7.1 billion, or 6 percent, to \$134.7 billion. Volume, measured in constant (1987) dollars, increased 5 percent. Nonagricultural exports accounted for most of the increase in current dollars, and agricultural exports also increased.

Nonagricultural exports increased \$5.2 billion, or 5 percent, to \$121.1 billion. The increase was widespread among major commodity categories, with capital goods accounting for over two-fifths of the increase. Nearly all types of capital goods increased, led by semiconductors, by computers, peripherals, and parts, and by telecommunications equipment. Increases were also sizable in automotive vehicles, engines, and parts (mostly engines and parts to Canada) and in nonagricultural industrial supplies and materials.

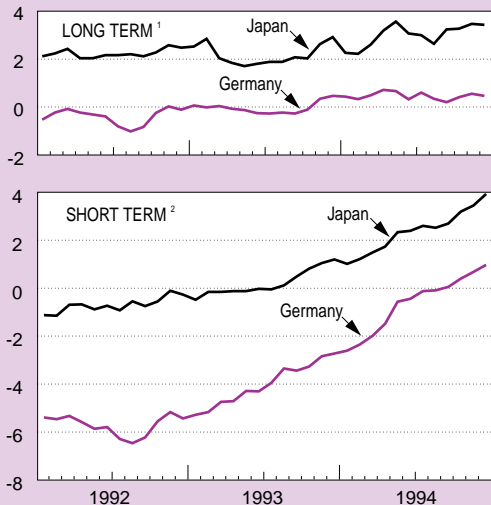
Agricultural exports increased \$1.9 billion, or 16 percent, to \$13.6 billion. Corn, wheat, and soybeans all rose; the largest increase was in corn. Meats and other processed food products increased even more rapidly than in the third quarter.

CHART 3

Interest-Rate Differentials

(Plus (+) Indicates Differentials in Favor of U.S. Dollar Assets)

Percentage points



1. Interest rate on U.S. Government bonds (composite over 10 years) less interest rate on Japanese Central Government bonds. Interest rate on U.S. Government bonds (composite over 10 years) less interest rate on German 7-15 year public sector bonds. Data: OECD.

2. Interest rate on 90-day Eurodollar deposits less Japanese CD rate. Interest rate on 90-day Eurodollar deposits less German interbank rate. Data: Federal Reserve Board.

U.S. Department of Commerce, Bureau of Economic Analysis

Imports.—Merchandise imports increased \$5.5 billion, or 3 percent, to \$177.7 billion in the fourth quarter. Volume, measured in constant (1987) dollars, also increased 3 percent. Nonpetroleum imports more than accounted for the increase in current dollars.

Nonpetroleum imports increased \$7.8 billion, or 5 percent, to \$164.9 billion. The largest increase was in capital goods, which accounted for over two-fifths of the increase. This increase mainly reflected continuing demand for computers, peripherals, and parts and for semiconductors. Imports of civilian aircraft, engines, and parts also increased, rebounding from low levels in the third quarter. Nonpetroleum industrial supplies and materials (mostly metals and chemicals), consumer goods (mostly durables), and automotive vehicles, engines, and parts (mostly from Canada and Mexico) also increased.

Petroleum imports decreased \$2.4 billion, or 16 percent, to \$12.8 billion. The average price per barrel decreased to \$15.40 from \$16.22, and the average number of barrels imported daily decreased to 9.08 million from 10.23 million. Domestic production and consumption increased, and inventory was unchanged.

Services.—The surplus on services increased to \$16.3 billion in the fourth quarter from \$15.9 billion in the third. Service payments, paced by a strong rise in travel and passenger fares, increased less than service receipts, within which travel, passenger fares, and other transportation accounted for nearly all of the increase.

Foreign visitors spent \$15.8 billion in the United States, up 4 percent. Receipts from overseas increased 3 percent to \$12.9 billion; receipts from Canada, 9 percent to \$1.6 billion; and receipts from Mexico, 3 percent to \$1.3 billion. U.S. travelers spent \$11.3 billion abroad, up 8 percent. Payments to overseas increased 9 percent to \$9.0 billion; payments to Canada, 10 percent to \$1.0 billion; and payments to Mexico, less than 1 percent to \$1.3 billion. For both Mexican receipts and payments, the impact of the sharp decline of the Mexican peso in late December will be reflected in 1995.

Other transportation receipts increased to \$6.6 billion from \$6.3 billion, as ocean port expenditure receipts were pushed higher by a strong increase in export volume carried by foreign-flag vessels. Other transportation payments decreased slightly to \$6.6 billion after two consecutive quarters of strong growth, but remained at a high level.

Other private services receipts were unchanged at \$14.8 billion. Other private services payments decreased to \$8.5 billion from \$8.8 billion, partly because reduced activity in financial markets abroad lowered commission payments.

Investment income

The deficit on investment income increased to \$7.5 billion in the fourth quarter from \$4.0 billion in the third. Increases in direct investment payments and portfolio payments outweighed an increase in portfolio receipts.

Direct investment income.—Income receipts on U.S. direct investment abroad were down slightly to \$18.0 billion, but remained high as a result of continued economic recovery in continental Europe and Japan.

Income payments on foreign direct investment in the United States were \$9.1 billion, up from \$7.9 billion. The increase was mostly from higher interest payments, which were attributable to interest-rate swap transactions; earnings continued to climb in response to continued expansion in the U.S. economy.

Portfolio investment income.—Receipts of income on other private investment were \$18.3 billion, up from \$16.6 billion, largely as a result of higher interest rates. Payments of income on other private investment were \$22.7 billion, up from \$19.9 billion, as a result of both higher interest rates and larger liabilities outstanding.

Receipts of income on U.S. Government assets were up slightly to \$1.1 billion. Payments of income on U.S. Government liabilities were \$13.2 billion, up strongly from \$11.8 billion, as a result of both the sharp rise in interest rates and larger liabilities outstanding.

Unilateral transfers

Net unilateral transfers were \$10.6 billion in the fourth quarter, compared with \$8.1 billion in the third.

U.S. Government grants were \$5.7 billion, up from \$2.8 billion. The step-up was due to the fourth-quarter disbursement of cash to Israel (\$1.2 billion), which was drawn completely in the first quarter of the U.S. Government's fiscal year as soon as funds were appropriated by Congress, and to additional funds (\$1.8 billion) disbursed to Israel to finance military purchases.

Capital Account

Net recorded capital inflows—that is, net changes in U.S. assets abroad less net changes in foreign assets in the United States—decreased to \$45.8 billion in the fourth quarter from \$54.4 billion in the third. A step-up in outflows for U.S. assets abroad more than offset a step-up in inflows for foreign assets in the United States.

U.S. assets abroad

U.S. assets abroad increased \$44.1 billion in the fourth quarter, compared with an increase of \$25.8 billion in the third. The step-up occurred mostly as a result of a shift to an increase in U.S. bank-reported claims.

U.S. official reserve assets.—U.S. official reserve assets decreased \$2.0 billion in the fourth quarter, following a \$0.2 billion increase in the third. The decrease was more than accounted for by sales of \$2.6 billion in German marks and Japanese yen in exchange market intervention operations in early November (table C). These operations were part of coordinated intervention activities with monetary authorities of another country.

U.S. Government assets other than official reserve assets.—U.S. Government assets other than official reserve assets increased \$1.0 billion in the fourth quarter, up from a \$0.3 billion increase in the third. U.S. credits and other long-term assets increased \$2.2 billion, compared with an increase of \$1.2 billion. The step-up resulted from the extension of new credits to the Government of the Russian Federation, reflecting the consolidation and rescheduling of certain debts of the former Soviet Union that were owed to, or guaranteed by, the U.S. Government.

U.S. foreign currency holdings and other short-term assets decreased \$0.4 billion in the fourth quarter, reflecting the disposition of \$0.8 billion in unpaid claims (under the Commodity Credit Corporation's export credit guarantee program) on the former Soviet Union that were acquired from private U.S. banks. These unpaid claims were consolidated and rescheduled into a new U.S. Government long-term credit.

Claims reported by banks.—U.S. claims on foreigners reported by U.S. banks increased \$17.3 billion in the fourth quarter, compared with a decrease of \$1.3 billion in the third.

Interbank claims increased \$9.1 billion in the fourth quarter, following an \$8.1 billion decrease in the third. Interbank lending to Western Europe, the Caribbean, and Japan was moderate, both during the quarter and at yearend. This increase was augmented by an \$11.2 billion increase in deposits on behalf of banks' U.S. customers; these deposits were largely overnight deposits placed with branches of U.S. banks in the Caribbean in December and were not reversed after the beginning of the new year.

Foreign securities.—Net U.S. purchases of foreign securities were \$13.9 billion in the fourth quarter, up from \$8.1 billion in the third.

Net U.S. purchases of foreign stocks were \$8.1 billion, up from \$6.0 billion, as most overseas stock markets halted their downward slide or rose at yearend. U.S. institutional investors, primarily mutual funds, stung by heavy losses on Asian and Latin American stock market investments early in the year, resumed their overseas investments in the fourth quarter. Investors also resumed their purchases of Japanese securities, though Japanese stock prices continued to decline.

Table C.—Selected Transactions with Official Agencies

[Millions of dollars]

	1993	1994 ^P	Change: 1993–94	1993				1994				Change: 1994 III–IV
				I	II	III	IV	I	II	III ^r	IV ^P	
Changes in foreign official assets in the United States, net (decrease –) (table 1, line 49)	71,681	38,912	–32,769	10,968	17,492	19,259	23,962	11,530	8,925	19,460	–1,003	–20,463
Industrial countries ¹	38,892	29,614	–9,278	1,730	16,057	10,877	10,228	11,667	16,534	9,106	–7,693	–16,799
Members of OPEC ²	–3,847	–1,049	2,798	445	–869	–3,194	–229	–1,674	–4,149	3,726	1,048	–2,678
Other countries	36,636	10,347	–26,289	8,793	2,304	11,576	13,963	1,537	–3,460	6,628	5,642	–986
Changes in U.S. official reserve assets, net (increase –) (table 1, line 34)	–1,379	5,346	6,725	–983	822	–545	–673	–59	3,537	–165	2,033	2,198
Activity under U.S. official reciprocal currency arrangements with foreign monetary authorities: ³												
Foreign drawings, or repayments (–), net												
Drawings	470		–470	470								
Repayments	–470		470	–470								

^r Revised.

^P Preliminary.

1. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.

2. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Begin-

ning in January 1993, excludes Ecuador.

3. Consists of transactions of the Federal Reserve System and the U.S. Treasury Department's Exchange Stabilization Fund.

Net U.S. purchases of foreign bonds recovered to \$5.8 billion from \$2.1 billion. Transactions in outstanding bonds shifted to net purchases of \$1.6 billion from net sales of \$6.3 billion; most of the turnaround was in Western Europe, as bond prices in the United Kingdom and several other West European markets rebounded somewhat from their nearly year-long decline.

New foreign bond issues in the United States declined to \$7.2 billion from \$9.8 billion, as the U.S. corporate AAA bond rate increased 42 basis points from the third-quarter level. More than half of the value of new issues was privately placed, and the maturities were shorter: Approximately 87 percent mature in 10 years or less, up from 79 percent in the third quarter.

Direct investment.—Net capital outflows for U.S. direct investment abroad were \$14.0 billion in the fourth quarter, compared with \$11.2 billion in the third. An increase in reinvested earnings and a shift to net intercompany debt outflows accounted for most of the step-up.

Foreign assets in the United States

Foreign assets in the United States increased \$89.9 billion in the fourth quarter, compared with an increase of \$80.3 billion in the third. The step-up was attributable to sharply higher inflows for nearly all major types of private assets; these inflows were only partly offset by a large shift to outflows for official assets.

Foreign official assets.—Foreign official assets in the United States decreased \$1.0 billion in the fourth quarter, compared with a \$19.5 billion increase in the third (table C). Dollar assets of industrial countries decreased \$7.7 billion in the fourth quarter, largely reflecting sharp decreases in assets of European countries. Dollar assets of non-OPEC developing countries increased \$5.6 billion; included were a large increase by a single Asian country and a decrease of about the same size by a single Latin American country.

Liabilities reported by banks.—U.S. liabilities to foreigners reported by U.S. banks, other than U.S. Treasury securities, increased \$27.1 billion in the fourth quarter, compared with an increase of \$18.4 billion in the third.

Interbank liabilities increased \$25.1 billion, compared with an increase of \$7.2 billion; inflows in the fourth quarter were sharply higher in response to U.S. banks' borrowing from foreign sources to finance domestic (U.S.) lending and to substantial interest-rate differentials in favor of U.S. short-term assets. U.S.-owned banks'

branches in Western Europe and the Caribbean accounted for 90 percent of the inflows. Liabilities to Asian banking centers and to Japan decreased.

U.S. Treasury securities.—Net foreign purchases of U.S. Treasury securities were a record \$26.0 billion in the fourth quarter, compared with net purchases of \$5.1 billion in the third. Rapidly rising interest rates and an appreciating dollar for part of the quarter contributed to the strength in net foreign purchases. In addition, rates on 1- and 2-year maturities were nearly as high as those on long-term maturities, making the shorter-term maturities especially attractive investments at a time of wide fluctuations in longer-term rates and in foreign exchange markets. Especially large were net purchases from the United Kingdom at \$12.3 billion, from the Caribbean at \$11.7 billion, and from Japan at \$5.5 billion.

Other U.S. securities.—Net foreign purchases of U.S. securities other than U.S. Treasury securities were \$10.0 billion in the fourth quarter, down from \$14.2 billion in the third. Little change in stock prices and only a limited recovery in the corporate bond market discouraged purchases in U.S. markets. Abroad, new issues of Eurobonds by U.S. corporations were especially strong, despite the rise in interest rates.

Net foreign transactions in U.S. stocks shifted to net sales of \$3.1 billion from net purchases of \$0.8 billion. An acceleration in net sales by British and Swiss investors accounted for much of the change, and there was a sudden slowdown in net purchases by Japanese investors.

Net foreign purchases of corporate and other bonds were \$13.0 billion, compared with \$13.3 billion. New issues sold abroad by U.S. corporations increased to a record \$12.7 billion from \$10.3 billion, easily exceeding the previous record quarterly total of over a year ago. Outstanding bonds decreased, mostly reflecting lower net purchases by British investors.

Direct investment.—Net capital inflows for foreign direct investment in the United States were \$27.9 billion in the fourth quarter, compared with \$14.7 billion in the third. The step-up was more than accounted for by a step-up in net equity inflows to \$18.0 billion from \$3.4 billion, reflecting both a resurgence in large acquisitions and numerous mid-sized acquisitions. This quarterly equity inflow approached in size some of the large quarterly inflows during the acquisition boom of the late 1980's. The inflows were largely from Western Europe and were dominated by inflows

into manufacturing (especially pharmaceuticals) and wholesale trade.

THE YEAR 1994

The U.S. current-account deficit increased to \$155.7 billion in 1994 from \$103.9 billion in 1993. An increase in the merchandise trade deficit accounted for much of the increase; it was augmented by a sizable shift to a deficit on investment income and by a small increase in net unilateral transfers. The surplus on services increased (table D).

In the capital account, the increase in U.S. assets abroad slowed in 1994 from 1993; sharply lower outflows for net U.S. purchases of foreign securities more than accounted for the slowdown. The increase in foreign assets in the United States was much larger in 1994 than in 1993; the step-up in net inflows was attributable to sharply higher inflows for foreign direct investment in the United States and to a very large step-up in U.S. liabilities reported by U.S. banks. Increases in foreign official assets slowed.

The statistical discrepancy—errors and omissions in recorded transactions—was an outflow of \$33.3 billion in 1994, compared with an inflow of \$21.1 billion in 1993.

The following are highlights for the year 1994:

- The merchandise trade deficit increased by a substantial amount. Export growth accelerated strongly as economies of industrial countries recovered from recessions. However, the increase was less than that in imports, which accelerated in response to the third year of expansion in the U.S. economy.
- The services surplus increased by a small amount after little change.

- The balance on investment income shifted to a deficit from a surplus; the surplus had been declining since 1990.
- Net U.S. purchases of foreign securities were one-half the exceptionally high net purchases of last year, and net foreign purchases of U.S. securities slowed by one-fifth.
- U.S. banks' liabilities to foreigners increased by an exceptionally large amount, as the result of strong demand for funds to finance domestic (U.S.) bank lending and U.S. interest rates that by yearend greatly exceeded rates available on comparable foreign assets.
- Net inflows for foreign direct investment in the United States reflected the resurgence of large acquisitions.
- The U.S. dollar depreciated 7 percent in foreign exchange markets on a trade-weighted average basis.

U.S. dollar in exchange markets

From the fourth quarter of 1993 to the fourth quarter of 1994, the U.S. dollar depreciated 8–11 percent against the European currencies and 9 percent against the Japanese yen. In contrast, the dollar appreciated against the Canadian dollar and the Mexican peso (table B, chart 1).

As the U.S. economy entered its third year of expansion, the Federal Reserve in mid-February took the first of several actions to raise the federal funds rate and discount rate. This credit-tightening measure led to sharp drops in bond and stock prices, both here and abroad, and to declines in the foreign exchange value of the dollar. Considerable uncertainty in the financial markets was evidenced by greater price volatility, as market participants differed on their assessments of both the size and timing of additional tightening measures.

Table D.—Selected Balances on U.S. International Transactions

[Millions of dollars, quarters seasonally adjusted]

	1992	1993	1994 ^a	1994			
				I ^r	II ^r	III ^r	IV ^p
Merchandise trade balance	-96,097	-132,575	-166,364	-37,052	-41,721	-44,615	-42,976
Services, net	55,713	56,850	59,994	12,732	15,084	15,877	16,301
Investment income, net	4,540	3,946	-15,181	-820	-2,819	-4,037	-7,504
Direct, net	47,713	52,405	41,397	11,452	10,847	10,187	8,912
Other private, net	-9,806	-11,967	-13,597	-2,486	-3,379	-3,344	-4,388
U.S. Government, net	-33,366	-36,491	-42,981	-9,786	-10,287	-10,880	-12,028
Unilateral transfers, net	-32,042	-32,117	-34,121	-7,098	-8,371	-8,073	-10,579
Current account balance	-67,886	-103,896	-155,673	-32,238	-37,827	-40,848	-44,758

^r Revised.

^p Preliminary.

During the spring and early summer, the Federal Reserve raised interest rates and tightened bank reserve positions several more times. Despite these actions, concerns about the persistent strength of the U.S. economy and pessimism about future inflation tended to offset the effect on the dollar of higher U.S. interest rates. In addition, signs that a recovery in economic activity was under way in continental Europe indicated that further reductions in European short-term interest rates were unlikely.

In this environment, pressures on the dollar were especially intense in late April and early May and in the second half of June. The U.S. Treasury and the Federal Reserve made substantial dollar purchases on three occasions during this period in coordination with monetary authorities of a large number of other countries. These actions were in response to volatile trading conditions and movements in the dollar that were judged to be inconsistent for a country with such strong real growth, low inflation, and rising interest rates.

Despite a 50-basis-point rise in U.S. interest rates by the Federal Reserve in mid-August, the dollar reached new lows against the German mark and Japanese yen in September and October. Concerns remained that U.S. credit-tightening measures were not yet sufficient to keep anticipated inflation in check, and an economic recovery firmly in place for Germany and the other continental European countries was accompanied by a small rise in foreign interest rates. With the dollar at new lows in late October against both the German mark and Japanese yen, the Federal Reserve, in coordination with the monetary authorities of another country, intervened in the exchange markets to purchase dollars in early November. In mid-November, the Federal Reserve again raised interest rates—by 75 basis points—substantially widening interest-rate differentials in favor of dollar assets; this action contributed to capital inflows and provided support for the dollar through yearend. (Early in 1995, the dollar's depreciation resumed.)

For the year, the U.S. dollar appreciated 3 percent against the Canadian dollar. U.S. dollar appreciation occurred despite strong expansion in the Canadian economy and particularly sharp increases in Canadian interest rates in the first and fourth quarters.

Following political unrest in the State of Chiapas early in the year and reports of weak first-quarter corporate earnings, the Mexican peso depreciated 6 percent against the dollar in the first quarter. Despite rising inflation and sev-

eral political problems, the peso remained within the controlled trading range permitted by the Government through most of the summer. In August, the peso appreciated briefly when foreign investors placed funds into Mexican financial markets in advance of Mexican presidential elections and after the favorable conclusion of Mexico's annual wage and price agreement among business, labor, and government. However, faced with continuing large outflows of official reserve assets and private capital flight, the Mexican Government on December 20 reduced the peso's lowest permissible value against the dollar, and the peso immediately fell by the full 12 percent permitted by the new range. On December 22, the Government permitted the peso to fluctuate freely in exchange markets, and the peso immediately depreciated another 16 percent.

Against the currencies of the newly industrialized countries in Asia, the U.S. dollar depreciated 8 percent against the Singapore dollar and 2 percent against both the South Korean won and the Taiwan dollar. The U.S. dollar was unchanged against the Hong Kong dollar.

Current Account

Goods and services

The deficit on goods and services increased to \$106.4 billion in 1994 from \$75.7 billion in 1993. The merchandise trade deficit more than accounted for the increase; the surplus on services increased.

Merchandise trade.—The merchandise trade deficit increased to \$166.4 billion in 1994 from \$132.6 billion in 1993 (tables E and F). U.S. export growth accelerated strongly, following 6 successive years of deceleration, in response to economic recovery in industrial countries. Depreciation of the dollar (measured on a trade-weighted basis year over year) in 1994 may have had a slight stimulative effect on exports. U.S. import growth also accelerated, as the U.S. economy completed its third year of expansion.

U.S. exports were spurred by increases in demand and output abroad in 1994. Germany, other continental European countries, and Japan recovered from recessions in 1993; expansions were already under way in Canada and the United Kingdom (chart 4). Growth in the developing countries of Asia and Latin America was just under the pace in 1993. U.S. imports increased strongly for the third consecutive year, reflecting increases in U.S. real gross domestic product of

4.1 percent in 1994, 3.1 percent in 1993, and 2.3 percent in 1992.

Domestic prices of exports increased more than last year, with the largest step-up in industrial supplies and materials (table G). Price increases for all major categories were lower when converted into foreign currencies, as appreciation of foreign currencies offset much of the increase in domestic prices (table H).

Dollar prices of most imports also increased more than last year; prices for industrial supplies and materials excluding petroleum increased after declining last year, and prices of capital goods other than computers and civilian aircraft and of automotive products increased more strongly than last year. In contrast, petroleum prices declined further—for the third consecutive year.

Exports.—Nonagricultural exports increased \$42.4 billion, or 10 percent, to \$455.6 billion in 1994, compared with a 4-percent increase in 1993. Volume increased 11 percent, following a 7-percent increase. Growth accelerated strongly for capital goods, consumer goods, and industrial supplies and materials. Growth slowed for automotive products, but remained strong (chart 5). Slightly more than one-half of the export growth was to industrial countries, and slightly less than one-half was to developing countries.

Capital goods increased \$23.2 billion, or 13 percent, to \$205.6 billion, up sharply from an increase of 4 percent. Volume increased 18 percent, following an increase of 9 percent. This is the first time in the last 5 years that the growth of capital goods has accelerated. Semi-

conductors and telecommunications equipment together accounted for over two-fifths of the increase in 1994. The annual growth rates of both have accelerated each year since 1992. Semiconductor shipments were particularly strong to Asia. Telecommunications equipment and parts increased to almost all major areas, with substantial increases to Asia, mainly China, and to Latin America. Canada and Mexico continue to rank closely as the largest export markets for these products. Computer shipments jumped in 1994. Exports in the broad category of other in-

Table F.—Percent Changes in U.S. Merchandise Trade, Current and Constant (1987) Dollars

(Balance of payments basis)

	Current dollars			Constant (1987) dollars		
	1992	1993	1994 ^P	1992	1993	1994 ^P
Exports	5.6	3.7	10.0	7.9	6.1	10.2
Agricultural products	9.7	-8	7.9	12.1	-3.0	4.2
Nonagricultural products	5.2	4.3	10.3	7.5	7.0	10.8
Foods, feeds, and beverages	12.6	.9	3.4	13.7	-.5	.5
Industrial supplies and materials	-2	2.1	8.6	3.2	2.6	1.2
Capital goods, except automotive	5.8	3.5	12.8	10.0	9.4	17.7
Automotive vehicles, parts, and engines	17.5	11.4	9.1	15.3	10.6	8.1
Consumer goods (nonfood), except automotive	9.7	6.3	9.8	7.7	5.5	9.0
Exports, n.e.c.	-11.3	-5.6	9.6	-11.8	-6.2	7.4
Imports	9.3	9.9	13.5	11.2	13.0	13.8
Petroleum and products	-3	-2	-5	4.1	10.4	5.4
Nonpetroleum products	10.4	10.9	14.9	12.1	13.3	14.8
Foods, feeds, and beverages	5.4	.9	11.1	6.1	-.4	1.4
Industrial supplies and materials	5.7	8.4	8.1	8.5	13.3	6.4
Capital goods, except automotive	11.1	13.5	21.1	19.2	21.2	25.9
Automotive vehicles, parts, and engines	7.1	11.6	15.8	5.1	9.6	12.0
Consumer goods (nonfood), except automotive	13.8	9.3	9.2	10.7	8.5	8.6
Imports, n.e.c. and U.S. goods returned	11.5	4.0	17.2	10.1	2.8	14.3

^P Preliminary.

Table E.—U.S. Merchandise Trade, Current and Constant (1987) Dollars

(Balance of payments basis, millions of dollars, quarters seasonally adjusted)

	Current dollars								Constant (1987) dollars							
	1992	1993	1994 ^P	1994					1992	1993	1994 ^P	1994				
				I ^r	II ^r	III ^r	IV ^P					I ^r	II ^r	III ^r	IV ^P	
Exports	440,361	456,866	502,729	117,848	122,510	127,632	134,739		420,164	445,585	491,004	115,804	119,637	124,452	131,111	
Agricultural products	44,050	43,704	47,147	10,926	10,945	11,680	13,596		39,772	38,596	40,209	9,151	9,371	10,165	11,522	
Nonagricultural products	396,311	413,162	455,582	106,922	111,565	115,952	121,143		380,392	406,989	450,795	106,653	110,266	114,287	119,589	
Foods, feeds, and beverages	40,334	40,692	42,084	9,924	9,455	10,437	12,268		35,790	35,608	35,780	8,243	7,992	9,068	10,477	
Industrial supplies and materials	109,593	111,871	121,466	28,303	29,322	31,308	32,533		103,305	105,971	107,278	26,507	26,621	27,259	26,891	
Capital goods, except automotive	176,073	182,218	205,550	48,657	51,057	51,835	54,001		180,682	197,617	232,644	54,211	56,729	58,800	62,904	
Automotive vehicles, parts, and engines	47,028	52,406	57,174	13,474	13,866	14,385	15,449		41,895	46,325	50,068	11,840	12,174	12,585	13,469	
Consumer goods (nonfood), except automotive	51,424	54,655	59,990	13,847	14,575	15,351	16,217		44,410	46,856	51,051	11,830	12,448	13,029	13,744	
Exports, n.e.c.	15,909	15,024	16,465	3,643	4,235	4,316	4,271		14,082	13,208	14,183	3,173	3,673	3,711	3,626	
Imports	536,458	589,441	669,093	154,900	164,231	172,247	177,715		508,622	574,887	654,443	154,235	160,976	166,855	172,377	
Petroleum and products	51,579	51,475	51,194	10,406	12,849	15,155	12,784		51,182	56,493	59,559	14,139	15,081	16,071	14,268	
Nonpetroleum products	484,879	537,966	617,899	144,494	151,382	157,092	164,931		457,440	518,394	594,884	140,096	145,895	150,784	158,109	
Foods, feeds, and beverages	27,609	27,866	30,958	7,343	7,612	8,034	7,969		25,717	25,603	25,969	6,556	6,556	6,542	6,315	
Industrial supplies and materials	140,590	152,435	164,815	37,914	40,620	43,548	42,733		131,965	149,557	159,112	39,153	39,830	40,724	39,405	
Capital goods, except automotive	134,252	152,366	184,538	42,584	44,706	46,933	50,315		149,234	180,908	227,746	51,951	54,749	57,916	63,130	
Automotive vehicles, parts, and engines	91,788	102,421	118,636	27,018	29,123	30,837	31,658		79,706	87,387	97,899	22,571	24,168	25,422	25,738	
Consumer goods (nonfood), except automotive	122,657	134,015	146,304	34,444	36,123	37,135	38,602		104,932	113,897	123,677	29,224	30,553	31,427	32,473	
Imports, n.e.c. and U.S. goods returned	19,562	20,338	23,842	5,597	6,047	5,760	6,438		17,068	17,539	20,040	4,780	5,120	4,824	5,316	

^r Revised.

^P Preliminary.

dustrial, agricultural, and service machinery have also grown steadily in recent years and were an important contributor to the acceleration in total exports in 1994. Civilian aircraft continued to decline from high levels in 1992 (table I).

Nonagricultural industrial supplies and materials increased \$7.4 billion, or 7 percent, to \$112.5 billion, compared with a 3-percent increase. Volume increased 1 percent, compared with a 3-percent increase. Chemicals, largely to Asia and Latin America, showed an unusually strong increase, accounting for 70 percent of the increase in supplies and materials. Paper and paper-based products also increased, as did textiles and some metals. Some of the rise in the value of these exports was attributable to price increases, particularly for raw and intermediate materials and for metals (table J).

**Table G.—Percent Changes in U.S. Merchandise Trade
Fixed-Weighted Price Indexes**

[Based on index numbers (1987=100)]

	1992	1993	1994 ^P
Exports	0.1	0.5	2.5
Agricultural products	-1.4	1.6	5.0
Nonagricultural products	.2	.5	2.3
Foods, feeds, and beverages	-.3	1.5	3.6
Industrial supplies and materials	-2.7	.8	6.9
Capital goods, except automotive	.9	-.2	.2
Computers, peripherals, and parts	-12.7	-14.4	-9.7
Civilian aircraft, engines, and parts	4.2	2.6	2.9
Other capital goods	2.6	1.3	.8
Automotive vehicles, parts, and engines	1.9	.8	1.0
Consumer goods (nonfood), except automotive	2.6	1.4	.3
Exports, n.e.c.	.5	.7	2.0
Imports	0.7	-0.2	2.0
Petroleum and products	-4.3	-9.6	-5.9
Nonpetroleum products	1.3	.8	2.7
Foods, feeds, and beverages	-.4	-.1	10.8
Industrial supplies and materials, excluding petroleum	-1.1	-.6	3.1
Capital goods, except automotive	.8	-.3	1.6
Computers, peripherals, and parts	-11.5	-12.1	-9.8
Civilian aircraft, engines, and parts	4.3	2.6	2.9
Other capital goods	2.2	1.6	2.6
Automotive vehicles, parts, and engines	1.9	1.8	3.4
Consumer goods (nonfood), except automotive	3.1	1.2	.8
Imports, n.e.c., and U.S. goods returned	1.3	1.1	2.7

^P Preliminary.

**Table H.—Percent Changes in Foreign Currency Cost
of U.S. Merchandise Exports**

[Based on index numbers (1987=100)]

	1992	1993	1994 ^P
Exports	-0.6	4.6	1.7
Agricultural products	-2.1	5.7	4.1
Nonagricultural products	-.5	4.5	1.4
Foods, feeds, and beverages	-.9	5.6	2.7
Industrial supplies and materials	-3.3	4.9	6.0
Capital goods, except automotive	.2	3.9	-.7
Computers, peripherals, and parts	-13.3	-10.9	-10.4
Civilian aircraft, engines, and parts	3.6	6.8	2.1
Other capital goods	1.9	5.4	0
Automotive vehicles, parts, and engines	1.2	4.9	.1
Consumer goods (nonfood), except automotive	1.9	5.6	-.6
Exports, n.e.c.	-.1	4.8	1.2

^P Preliminary.

NOTE.—Fixed-weighted price indexes multiplied by trade-weighted exchange rate index of the currencies of 22 OECD countries and 4 newly industrialized countries in the Far East.

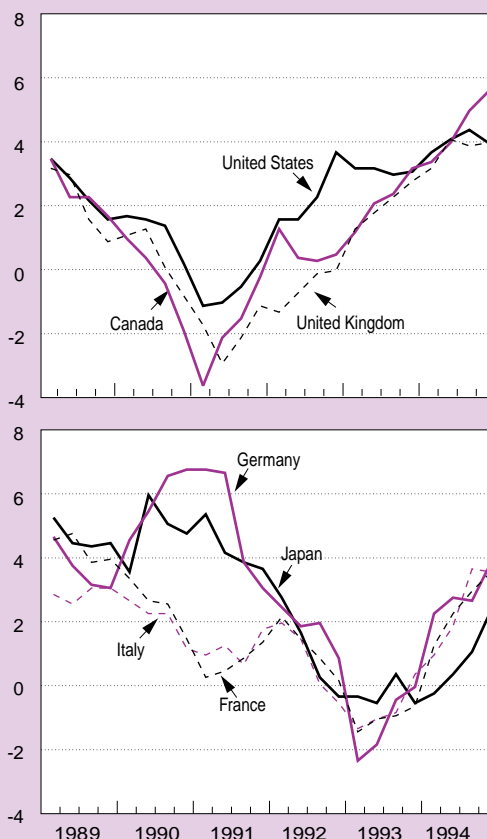
Consumer goods (nonfood) increased \$5.3 billion, or 10 percent, to \$60.0 billion, compared with a 6-percent increase. Volume increased 9 percent, compared with a 6-percent increase. Nondurable goods accounted for three-fifths of the increase in current dollars. The addition of Mexico to the North American Free Trade Agreement probably encouraged some exports of consumer goods, particularly textiles. Canada and Mexico combined accounted for nearly 40 percent of the increase in consumer goods.

Automotive products increased \$4.8 billion, or 9 percent, to \$57.2 billion, down from an increase of 11 percent. Volume increased 8 percent, following an increase of 6 percent. Passenger car exports were exceptionally strong to Canada—up 17 percent, compared with a 6-percent increase. By contrast, parts to Canada and Mexico slowed to a 4-percent increase from an 18-percent increase.

CHART 4

Major Industrial Countries: Real GDP

Percent change from four quarters earlier



Note.—Fourth-quarter 1994 data for the United Kingdom and France are estimates. Data: International Monetary Fund.

U.S. Department of Commerce, Bureau of Economic Analysis

Agricultural products increased \$3.4 billion, or 8 percent, to \$47.2 billion, compared with a 1-percent decrease. Volume increased 4 percent, following a 3-percent decrease. Much of the strength was attributable to meat products, poultry, fruits, and vegetables, which have now increased annually for the last 9 years. Exports have benefited from increased market access and from income growth that have contributed to a shift in food consumption patterns abroad—from dietary staples (such as rice and other starches) to a variety of meats, fruits, and vegetables. Meat exports were boosted by the removal of beef import tariffs by Mexico early in the year; U.S. exports of beef to Mexico subsequently increased 80 percent.

Exports of cotton increased especially strongly, mainly to China and the newly industrialized countries in Asia. During 1994, China and Pak-

istan, two of the world's largest producers of cotton, suffered substantial crop shortfalls.

In contrast to the strength in meat products and cotton, grains and preparations declined for the second consecutive year and for the fourth year out of the last five; the declines were mainly in wheat, corn, and soybeans. Corn declined for the fifth consecutive year in both value and volume. A significant part of the decrease in grain shipments reflected the loss of sales to the Newly Independent States. The remainder is due to reduced supply caused by flood damage to the 1993 corn and soybean crops in the United States and to increased competition from major exporters.

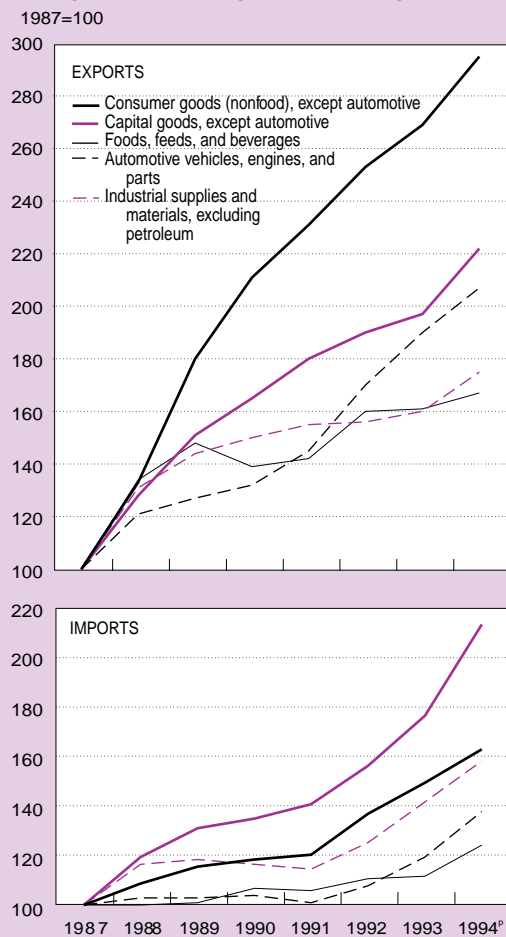
Imports.—Nonpetroleum imports increased \$79.9 billion, or 14 percent, to \$617.9 billion in 1994, compared with an increase of 11 percent in 1993. Volume increased 13 percent, compared with an 11-percent increase. Capital goods and automotive products accelerated for the third successive year and now exhibit exceptionally strong annual increases by historical standards. Nonpetroleum industrial supplies and materials and consumer goods were also strong (chart 5). Imports from industrial countries accounted for slightly more than one-half of the increase, and those from developing countries for slightly less than one-half.

Capital goods increased \$32.3 billion, or 21 percent, to \$184.6 billion, compared with an increase of 14 percent. Volume increased 26 percent, following a 21-percent increase. This is the third consecutive year of substantial gains in this category, paralleling the expansion in the U.S. economy: The gain in 1994 was close to double the annual gains in 1992–93. Most of the strength was in high-technology products, such as computers, peripherals, and parts and semiconductors. Over two-thirds of domestic demand for computers is met by imports from the newly industrialized countries (NIC's) in Asia and from Japan. Semiconductors reflected a step-up in purchases from Japan, the NIC's, and Malaysia. An additional source of strength in 1994 was telecommunications products, largely from Asia and Mexico. Further strength was attributable to other industrial, agricultural, and service machinery, largely from Western Europe and Canada; this category has increased strongly for 3 years now. Civilian aircraft was unchanged (table I).

Automotive products increased \$16.2 billion, or 16 percent, to \$118.6 billion, following an increase of 12 percent. Volume increased 12 percent, following a 10-percent increase.

CHART 5

Growth in U.S. Merchandise Nonpetroleum Exports and Imports



p Preliminary
U.S. Department of Commerce, Bureau of Economic Analysis

Automotive parts remained especially strong, rising 17 percent, up from 14 percent, as a result of strong domestic production. Mexico's share increased 1 percent, Japan's share was unchanged, and Canada's share decreased 1 percent.

Passenger cars from Japan were up at a substantially faster pace than last year and accounted for one-half of the increase; cars from Canada were up at about the same pace as last

year and accounted for the other half. For Japanese cars, "transplant" sales fell 14 percent (the first decrease since Japanese transplant facilities opened in 1982), but they still exceeded Japanese imports. The market share of domestic nameplates increased to 65 percent from 59 percent, while the Japanese share, including imports and transplants, declined to 31 percent from 33 percent.

Table I.—Capital Goods, except Automotive

[Balance of payments basis, millions of dollars]

	1990	1991	1992	1993	1994 ^P
Exports	153,278	166,453	176,073	182,218	205,550
Computers, peripherals, and parts	25,888	27,293	28,764	29,317	33,324
Semiconductors	13,323	14,348	15,987	19,122	25,167
Telecommunications equipment	9,602	10,294	11,449	13,514	16,293
Scientific, hospital, and medical equipment and parts	7,718	9,221	9,930	10,569	11,522
Industrial, agricultural, and service industry machinery	23,661	25,017	26,291	28,551	32,258
Machine tools, metalworking equipment, and control instruments	8,888	9,092	9,836	10,650	12,321
Oil drilling, mining, and construction machinery	9,145	9,644	9,621	9,465	10,174
Industrial engines, pumps, and compressors	6,428	6,220	6,658	7,506	9,133
Electric generating machinery, electric apparatus, and parts	12,661	14,608	15,481	16,959	19,597
Civilian aircraft, engines, parts	32,183	36,587	37,726	32,678	31,598
Other capital goods, n.e.c.	3,781	4,129	4,330	3,887	4,163
Imports	116,041	120,802	134,252	152,366	184,538
Computers, peripherals, and parts	23,022	26,000	31,686	38,027	46,214
Semiconductors	12,169	13,084	15,476	19,482	26,080
Telecommunications equipment	9,402	9,939	10,776	11,276	14,216
Scientific, hospital, and medical equipment and parts	5,041	5,040	5,436	5,806	5,965
Industrial, agricultural, and service industry machinery	22,674	21,928	23,358	26,149	31,889
Machine tools, metalworking equipment, and control instruments	6,652	7,172	7,054	8,040	9,817
Oil drilling, mining, and construction machinery	4,066	3,209	2,948	4,313	5,329
Industrial engines, pumps, and compressors	4,582	3,264	3,618	4,094	5,753
Electric generating machinery, electric apparatus, and parts	12,785	14,260	15,336	17,420	20,024
Civilian aircraft, engines, parts	10,486	11,737	12,581	11,275	11,334
Other capital goods, n.e.c.	5,162	5,169	5,983	6,484	7,917

^P Preliminary.

Table J.—Industrial Supplies and Materials, excluding Agricultural Products

[Balance of payments basis, millions of dollars]

	1990	1991	1992	1993	1994 ^P
Exports	97,053	101,682	101,688	105,003	112,451
Energy products	14,524	15,170	14,365	12,713	12,023
Chemicals	28,374	30,444	29,840	30,082	35,154
Paper and paper base stocks	8,464	8,706	9,297	8,483	10,094
Textile supplies and related materials	6,272	6,620	6,808	6,999	8,170
Building materials, except metals	7,613	7,592	8,078	8,751	8,825
Other nonmetals	9,079	9,706	10,302	10,752	11,881
Metals and nonmetallic products	22,727	23,444	22,998	27,223	26,304
Steelmaking materials and iron and steel products	5,814	5,971	5,405	5,443	5,777
Nonferrous metals	11,508	11,145	10,964	14,648	12,228
Other metals and nonmetallic products	5,405	6,328	6,629	7,132	8,299
Imports	141,097	128,708	136,034	147,878	160,090
Energy products	66,471	56,279	56,820	57,390	58,057
Chemicals	14,330	15,290	16,871	18,081	21,358
Paper and paper base stocks	9,472	8,450	8,232	8,319	8,924
Textile supplies and related materials	5,674	6,135	6,866	7,550	8,186
Building materials, except metals	7,352	6,825	8,282	10,556	12,602
Other nonmetals	6,336	8,084	9,455	10,330	11,048
Metals and nonmetallic products	31,462	27,645	29,508	35,652	39,915
Steelmaking materials and iron and steel products	12,991	11,904	12,603	13,591	18,361
Nonferrous metals	13,660	12,145	13,227	18,128	16,719
Other metals and nonmetallic products	4,811	3,596	3,678	3,933	4,835

^P Preliminary.

Consumer goods (nonfood) increased \$12.3 billion, or 9 percent, to \$146.3 billion, the same pace as last year. Volume increased 9 percent, also the same as last year. In 1994, for the first time, imports from China exceeded those from the NIC's, which have fallen for the past 6 years. Shares of consumer goods imports have also changed dramatically. In 1984, China supplied just 3 percent and the NIC's 37 percent of the \$61.1 billion in consumer goods imports. In 1994, China accounted for 20 percent and the NIC's 17 percent of the \$146.3 billion in consumer goods imports. One component that contributed to this change in shares was home entertainment equipment. In 1986, Japan accounted for 66 percent of \$12.3 billion in imports of home entertainment equipment, and China and Malaysia combined, for 2 percent. By 1994, the Japanese share had dropped to 24 percent of \$17.7 billion,

and the share of China and Malaysia had risen to 31 percent. China and Malaysia accounted for 70 percent of the dollar increase in home entertainment equipment in 1994.

Nonpetroleum industrial supplies and materials imports increased \$11.7 billion, or 12 percent, to \$106.8 billion, compared with an increase of 14 percent. Volume increased 7 percent, following a 15-percent increase. Chemicals increased exceptionally strongly from Canada, Japan, and Western Europe as a result of strength in U.S. manufacturing industries. Iron and steel products increased from Canada, Western Europe (mainly Germany and Italy), and Latin America. Building materials remained strong, but dropped from last year when rising interest rates began to restrain residential construction (table J).

Petroleum imports decreased \$0.3 billion, or less than 1 percent, to \$51.2 billion; they have

Table K.—U.S. Merchandise Trade by Major End-Use Category for Selected Areas and Countries

[Balance of payments basis, millions of dollars]

	Canada			Western Europe			United Kingdom			Germany			Japan		
	1992	1993	1994 ^P	1992	1993	1994 ^P	1992	1993	1994 ^P	1992	1993	1994 ^P	1992	1993	1994 ^P
Exports	91,365	101,194	115,120	114,454	111,257	115,317	22,398	25,658	25,903	20,350	18,439	18,748	46,875	46,684	51,819
Agricultural products	5,595	5,959	6,316	8,414	7,828	7,892	927	955	970	1,189	1,073	1,082	8,498	8,753	9,444
Nonagricultural products	85,770	95,235	108,804	106,040	103,429	107,425	21,471	24,703	24,933	19,161	17,366	17,666	38,377	37,931	42,375
Foods, feeds, and beverages	5,468	5,890	6,162	6,737	6,525	6,522	836	848	817	792	834	839	9,691	9,789	10,348
Industrial supplies and materials	20,084	22,173	24,771	28,335	29,627	27,734	5,184	7,666	5,595	3,959	3,505	3,843	13,463	13,129	13,432
Capital goods, except automotive	27,696	29,669	35,956	54,808	51,138	55,121	12,261	12,900	14,797	10,845	9,478	9,462	15,026	14,501	17,379
Automotive vehicles, parts, and engines	23,826	28,007	31,192	5,083	4,618	5,365	598	674	1,023	1,920	1,635	1,581	1,824	2,353	3,405
Consumer goods (nonfood), except automotive	9,990	11,037	12,024	15,632	15,649	16,745	2,752	2,905	3,021	2,346	2,419	2,454	5,925	6,352	6,887
Exports, n.e.c.	4,301	4,418	5,015	3,859	3,700	3,830	767	665	650	488	568	569	946	560	368
Imports	100,868	113,310	131,647	111,386	120,947	132,877	19,939	21,493	24,863	28,731	28,494	31,684	97,400	107,228	119,136
Petroleum and products	7,233	7,808	7,819	4,649	4,988	6,345	1,804	2,472	3,307	161	174	127	61	44	46
Nonpetroleum products	93,635	105,502	123,828	106,737	115,959	126,532	18,135	19,021	21,556	28,570	28,320	31,557	97,339	107,184	119,090
Foods, feeds, and beverages	5,191	5,637	6,264	6,157	5,987	6,621	817	843	855	603	546	578	349	367	386
Industrial supplies and materials	38,207	42,690	48,309	27,460	33,652	34,977	5,249	5,941	7,164	5,550	5,869	6,448	9,407	9,419	10,762
Capital goods, except automotive	14,020	14,562	18,738	37,002	38,660	43,753	7,914	8,001	9,232	10,586	10,601	12,335	39,257	45,889	53,141
Automotive vehicles, parts, and engines	31,702	37,336	42,648	12,460	12,895	14,506	1,024	1,455	1,743	7,811	7,390	8,063	33,860	36,085	40,683
Consumer goods (nonfood), except automotive	4,591	5,783	6,686	22,629	24,071	26,648	3,581	3,910	4,380	3,038	2,789	3,085	12,934	13,656	12,371
Imports, n.e.c. and U.S. goods returned	7,157	7,302	9,002	5,678	5,682	6,372	1,354	1,343	1,489	1,143	1,299	1,175	1,593	1,812	1,793
Balance	-9,503	-12,116	-16,527	3,068	-9,690	-17,560	2,459	4,165	1,040	-8,381	-10,055	-12,936	-50,525	-60,544	-67,317
	Latin America			Mexico			Asia, excluding Japan			Hong Kong, Republic of Korea, Singapore, Taiwan			China		
	1992	1993	1994 ^P	1992	1993	1994 ^P	1992	1993	1994 ^P	1992	1993	1994 ^P	1992	1993	1994 ^P
Exports	69,091	71,391	84,936	40,494	41,478	50,737	88,229	95,624	104,049	46,879	50,080	56,658	7,399	8,732	9,247
Agricultural products	5,780	5,900	7,222	3,820	3,654	4,616	9,203	9,033	10,994	5,243	5,072	5,995	546	378	1,086
Nonagricultural products	63,311	65,491	77,714	36,674	37,824	46,121	79,026	86,591	93,055	41,636	45,008	50,663	6,853	8,354	8,161
Foods, feeds, and beverages	5,062	5,022	6,109	3,326	3,117	3,996	7,154	7,516	8,052	3,961	3,958	4,531	359	383	395
Industrial supplies and materials	18,644	19,045	23,127	10,791	10,869	13,579	23,397	22,277	26,530	14,297	14,069	16,149	2,461	1,908	3,132
Capital goods, except automotive	25,340	26,041	31,557	13,522	13,657	17,060	41,553	49,390	53,093	21,303	24,648	28,524	4,099	5,357	5,081
Automotive vehicles, parts, and engines	9,113	9,691	10,463	6,720	7,367	8,117	6,085	6,385	5,138	2,537	2,566	2,445	268	769	312
Consumer goods (nonfood), except automotive	8,389	9,142	10,733	4,478	4,824	5,871	7,492	8,101	8,982	3,899	4,254	4,728	155	217	236
Exports, n.e.c.	2,543	2,450	2,947	1,657	1,644	2,114	2,548	1,955	2,254	882	585	281	57	98	91
Imports	63,639	69,434	82,244	35,609	40,428	50,046	136,987	150,280	173,487	62,345	64,536	71,408	25,727	31,540	38,786
Petroleum and products	14,253	14,444	14,396	4,749	4,896	5,112	12,766	11,375	11,017	248	315	309	512	233	330
Nonpetroleum products	49,386	54,990	67,848	30,860	35,532	44,934	124,221	138,905	162,470	62,097	64,221	71,099	25,215	31,307	38,456
Foods, feeds, and beverages	8,337	8,519	9,701	2,662	3,038	3,300	5,362	5,162	5,762	687	679	701	654	577	548
Industrial supplies and materials	22,776	23,462	25,789	8,020	8,402	9,620	24,585	23,942	25,250	6,040	6,090	6,480	2,359	2,479	3,042
Capital goods, except automotive	8,107	9,101	12,529	6,953	8,024	11,228	34,878	42,955	54,888	24,080	28,406	34,843	2,301	3,379	5,177
Automotive vehicles, parts, and engines	10,290	12,281	15,638	9,517	11,376	14,656	3,144	3,505	4,849	2,347	2,442	3,263	224	291	516
Consumer goods (nonfood), except automotive	11,691	13,511	15,496	6,707	7,546	8,936	66,916	72,422	79,968	28,071	25,618	24,694	19,790	24,520	29,174
Imports, n.e.c. and U.S. goods returned	2,438	2,560	3,091	1,750	2,042	2,306	2,102	2,294	2,770	1,120	1,301	1,427	399	294	329
Balance	5,452	1,957	2,692	4,885	1,050	691	-48,758	-54,656	-69,438	-15,466	-14,456	-14,750	-18,328	-22,808	-29,539

^P Preliminary.

been virtually unchanged for 4 consecutive years. The average price per barrel fell for the fourth consecutive year to \$14.80, offsetting a rise in volume related to the strengthening of U.S. economic activity. Volume increased 5 percent, as the number of barrels imported daily increased to 9.47 million from 8.99 million; this increase was smaller than the 10-percent increase in 1993. The volume of imports from OPEC increased only 1 percent, and the OPEC share of imports declined to 47 percent from 51 percent. The volume of imports from Saudi Arabia, Nigeria, and Venezuela was virtually unchanged from 1993, while that from Mexico increased (chart 6).

U.S. consumption of petroleum and products increased to 17.7 million barrels per day from 17.3 million, reflecting increased U.S. economic activity. Imports as a percent of consumption increased to 54 percent from 52 percent.

Balances by area.—The U.S. merchandise trade deficit increased to \$166.4 billion in 1994 from \$132.6 billion in 1993.

The deficit with Western Europe increased to \$17.6 billion from \$9.7 billion; exports of capital goods responded strongly to the economic recovery, but imports were larger in all major categories, especially capital goods and consumer goods (table K, chart 7).

An increase in the deficit with Japan—to \$67.3 billion from \$60.5 billion—resulted from an increase in exports of capital goods (in contrast to no increase in the previous 3 years) and from a

much larger increase in imports of capital goods and automotive products than in recent years.

The increase in the deficit with the developing countries in Asia—to \$69.4 billion from \$54.7 billion—was also larger than in recent years. Exports of capital goods and industrial supplies were slightly higher, but imports of capital goods and consumer goods increased by very substantial amounts.

Services.—After little increase in 1993, the surplus on services moved higher to \$60.0 billion in 1994 from \$56.9 billion in 1993, but the increase was far less than the sizable annual advances of 1987–92 (table L). In 1994, service receipts increased to \$195.3 billion from \$184.8 billion, and service payments increased to \$135.3 billion from \$128.0 billion.

Foreign visitors spent \$60.0 billion for travel in the United States in 1994, up 4 percent, but

CHART 6

U.S. Petroleum Imports, Total and From Selected Countries

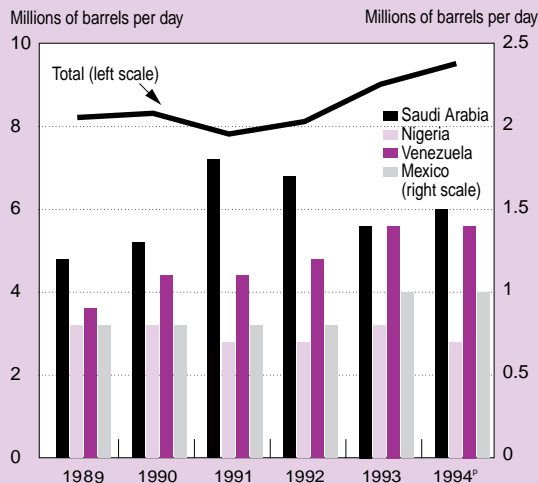
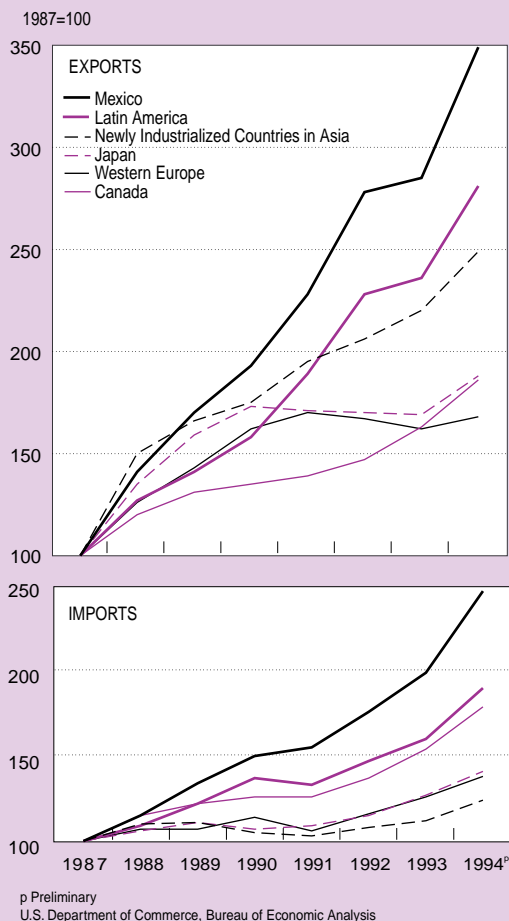


CHART 7

Growth in U.S. Merchandise Exports and Imports by Selected Areas and Countries



down from a 6-percent growth rate in 1993 and a 12-percent growth rate in 1992. Receipts from overseas were \$48.7 billion, up \$3.7 billion. Although foreign economies recovered and foreign currencies appreciated in 1994, growth in the number of visitors slowed further, particularly from Western Europe and Oceania, the same areas for which the slowdown had been greatest in 1992 and 1993. The only area of growth was visitors from Japan, which increased 16 percent, following a decrease of 3 percent. Receipts from Canada were \$6.3 billion, down \$1.1 billion. The drop in the number of Canadian visitors to the United States has accelerated over the past 2 years—from 3 percent in 1992, to 13 percent in 1993, and to nearly 19 percent (or 12 million fewer visitors) in 1994. Over the same period, the value of the Canadian dollar dropped 12 percent, 3 percent of which was in 1994, making travel to the United States considerably more expensive. The introduction of taxes on goods purchased in the United States by Canadians and taken back to Canada also made it less advantageous to enter the United States for gasoline, food, and other shopping. Receipts from Mexico were \$4.9 bil-

lion, down \$0.2 billion as a result of a drop in border travel. Even before the peso's sharp drop in late December, receipts were down 6 percent.

U.S. travel payments increased to \$43.1 billion in 1994, up 6 percent, following increases of 4 percent in 1993 and 10 percent in 1992. Travel expenditures overseas accounted for nearly all of the \$2.5 billion rise in 1994. After 2 years of virtually no growth, the number of travelers increased 8 percent to Europe and 9 percent to Asia (other than Japan); these two areas accounted for three-fourths of the growth in U.S. travelers in 1994. Payments to Canada increased 4 percent to \$3.8 billion, as the number of U.S. travelers increased 7 percent. Payments to Mexico fell 2 percent to \$5.1 billion, as a result of a 6-percent decrease in expenditures in the border area.

Other transportation receipts were \$24.7 billion in 1994, up \$1.6 billion, or 7 percent, following 3 consecutive years of 2-percent growth or less. Air freight receipts grew steadily throughout 1991–94, as air export volume rose and U.S. airlines increased market share at the expense of foreign airlines. However, ocean freight and ocean port expenditure receipts were flat until 1994, when recovery in foreign economies led to significant increases in export volume, particularly with trading partners in Western Europe and Japan.

Other transportation payments were \$25.7 billion in 1994, up \$1.2 billion. In 1994, when the U.S. and foreign economies both expanded, import and export volumes both rose substantially. In 1993, when expansion was limited to the United States, only import volume rose. The continued rise in import volume in 1994, combined with an acceleration in export volume, produced a 16-percent increase in ocean port service payments, following a 6-percent increase in 1993. For several years prior to 1993, ocean port services were held down by stable or declining import and export volumes.

Other private services receipts were \$58.5 billion in 1994, up from \$54.9 billion in 1993. Among receipts, business, professional, and technical services increased the most. Financial services also increased, but less strongly than in the previous year, as growth slowed in commissions received on securities transactions.

Other private services payments were \$34.8 billion in 1994, up from \$32.1 billion in 1993. Financial services payments increased the most, but grew less strongly than last year because of slower growth in commissions paid on securities transactions. Payments for business, professional, and

Table L.—Services

[Millions of dollars, quarters seasonally adjusted]

	1992	1993	1994 ^a	1994			
				I ^r	II ^r	III ^r	IV ^p
Exports	176,563	184,811	195,287	46,889	47,921	49,670	50,810
Travel	54,284	57,621	60,001	14,427	14,615	15,203	15,757
Passenger fares	16,972	16,550	17,651	4,195	4,284	4,499	4,674
Other transportation	22,704	23,151	24,733	5,870	6,047	6,251	6,565
Royalties and license fees	19,922	20,398	22,823	5,340	5,465	5,981	6,037
Other private services	50,992	54,870	58,453	14,392	14,551	14,724	14,785
Affiliated services	16,115	15,981	16,948	4,062	4,194	4,324	4,367
Unaffiliated services	34,878	38,888	41,505	10,330	10,357	10,400	10,418
Education	6,210	6,830	7,511	1,809	1,799	1,959	1,944
Financial	5,466	6,518	6,884	1,801	1,779	1,622	1,682
Insurance	1,173	1,519	1,584	397	396	396	395
Telecommunications	3,019	3,224	3,386	839	846	850	852
Business, professional, and technical	12,110	13,289	14,265	3,498	3,603	3,604	3,560
Other	6,901	7,509	7,876	1,986	1,934	1,971	1,985
Military transactions ¹	10,828	11,413	10,845	2,459	2,812	2,811	2,764
U.S. Government receipts	7,114	5,070	4,038	1,019	934	954	1,131
Imports	120,850	127,961	135,293	34,157	32,837	33,793	34,509
Travel	39,007	40,564	43,059	11,180	10,082	10,496	11,301
Passenger fares	10,608	11,416	12,558	3,024	3,071	3,129	3,335
Other transportation	23,460	24,502	25,718	6,093	6,353	6,682	6,591
Royalties and license fees	4,987	4,840	5,926	1,609	1,351	1,431	1,536
Other private services	26,625	32,119	34,791	8,811	8,685	8,770	8,525
Affiliated services	9,970	10,594	11,515	2,779	2,919	2,963	2,853
Unaffiliated services	16,655	21,525	23,277	6,033	5,767	5,807	5,671
Education	723	764	808	198	201	202	207
Financial	3,524	5,606	6,819	1,994	1,610	1,694	1,521
Insurance	1,333	2,913	2,673	712	674	650	637
Telecommunications	6,061	6,538	6,865	1,699	1,714	1,725	1,727
Business, professional, and technical	3,389	3,928	4,253	979	1,102	1,084	1,088
Other	1,625	1,776	1,860	451	466	453	491
Direct defense expenditures ²	13,862	12,176	10,577	2,796	2,635	2,581	2,565
U.S. Government payments	40,480	41,561	47,019	10,805	11,221	11,834	13,159

^r Revised.^p Preliminary.

1. Consists of goods and services transferred under U.S. military agency sales contracts which cannot be separately identified.

2. Consists of imports of goods and services by U.S. defense agencies which cannot be separately identified.

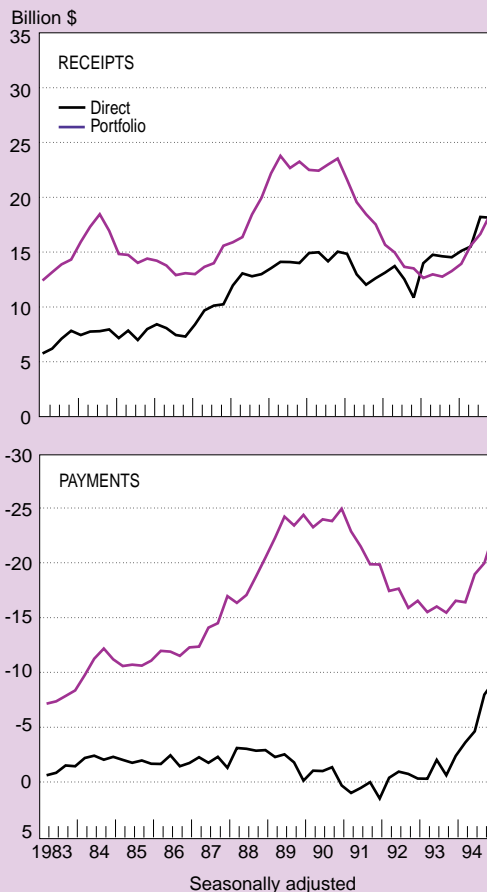
technical services also increased, but not nearly as strongly as on the receipts side of the accounts.

After many years of growth, transfers under U.S. military agency sales contracts fell—to \$10.8 billion in 1994 from \$11.4 billion in 1993. Shipments of missiles and equipment to the Middle East were down, reflecting the end of numerous programs initiated after the Persian Gulf War, particularly with Kuwait, Saudi Arabia, and Israel. Other programs, such as those for F-16 and F-18 fighter aircraft deliveries that were not a direct consequence of the war effort, also ended in late 1993. Only the continuation of Egypt's F-16 delivery program through 1994 checked the downward trend. Partly offsetting these decreases was a small step-up in deliveries to Asia that occurred amid the buildup in tensions surrounding North Korea's nuclear programs and the potential of a shrinking American presence in the region.

Direct defense expenditures abroad were \$10.6 billion in 1994, down sharply from \$12.2 billion in 1993 and down for the fourth consecutive year. Expenditures for contractual services, personnel, and pay to foreign nationals were all down, as U.S. bases continued to be closed in Western Europe, mainly in Germany, and troops returned to the United States. The drawdown, which is now approaching the size initially projected when reductions began in 1990, is nearly complete. (This drawdown did not affect troops in South Korea and in Japan. In addition, the Japanese Government has taken on covering the cost of Japanese employees at U.S. military installations as part

CHART 8

Private Investment Income



U.S. Department of Commerce, Bureau of Economic Analysis

Table M.—Direct Investment Income and Capital

[Millions of dollars, quarters seasonally adjusted]

(Credits +; debits -)	1992	1993	1994 ^P	1994			
				I ^r	II ^r	III ^r	IV ^P
Income							
Income receipts on U.S. direct investment abroad	49,889	57,515	66,585	15,011	15,421	18,110	18,044
Distributed earnings	34,256	26,552	30,579	7,494	7,008	8,846	7,229
Reinvested earnings	14,476	29,565	33,840	7,060	7,909	8,671	10,203
Interest	1,157	1,398	2,167	457	505	593	612
Income payments on foreign direct investment in the United States	-2,176	-5,110	-25,188	-3,559	-4,574	-7,923	-9,132
Distributed earnings	-6,865	-8,355	-7,869	-2,230	-2,247	-1,318	-2,074
Reinvested earnings	11,650	9,396	-7,306	201	-206	-3,957	-3,345
Interest	-6,961	-6,150	-10,013	-1,530	-2,122	-2,648	-3,714
Capital							
U.S. direct investment abroad (increase/capital outflow (-))	-41,587	-58,094	-58,552	-25,028	-8,263	-11,253	-14,012
Equity capital	-14,438	-17,423	-12,587	-2,959	-2,670	-3,401	-3,557
Reinvested earnings	-15,059	-29,789	-33,970	-7,101	-7,945	-8,701	-10,226
Intercompany debt	-12,090	-10,882	-11,995	-14,968	2,352	849	-228
Foreign direct investment in the United States (increase/capital inflow (+))	9,888	21,366	60,071	12,015	5,465	14,736	27,855
Equity capital	25,466	21,696	31,613	6,180	4,030	3,420	17,983
Reinvested earnings	-11,650	-9,396	7,306	-201	206	3,957	3,345
Intercompany debt	-3,929	9,065	21,152	6,036	1,230	7,359	6,527

^r Revised.^P Preliminary.

of its defense-burden-sharing agreement with the United States.)

Investment income

The balance on investment income shifted to a deficit of \$15.2 billion in 1994 from a surplus of \$3.9 billion in 1993. As recently as 1990, there was a surplus on investment income of \$20.7 billion. Much of the shift in 1994 was attributable to direct investment (table D).

Direct investment income.—Receipts of income on U.S. direct investment abroad were \$66.6 billion in 1994, up from \$57.5 billion in 1993 (table M, chart 8). The increase reflected economic recovery from the 1993 recessions in the major countries of continental Europe and in Japan, as well as reductions in major restructur-

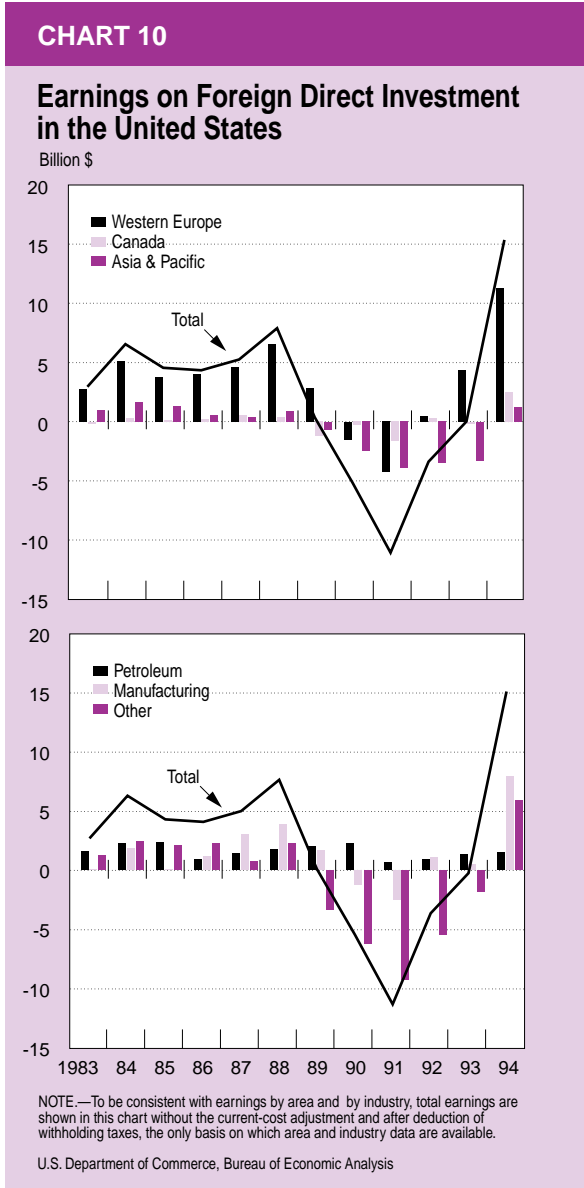
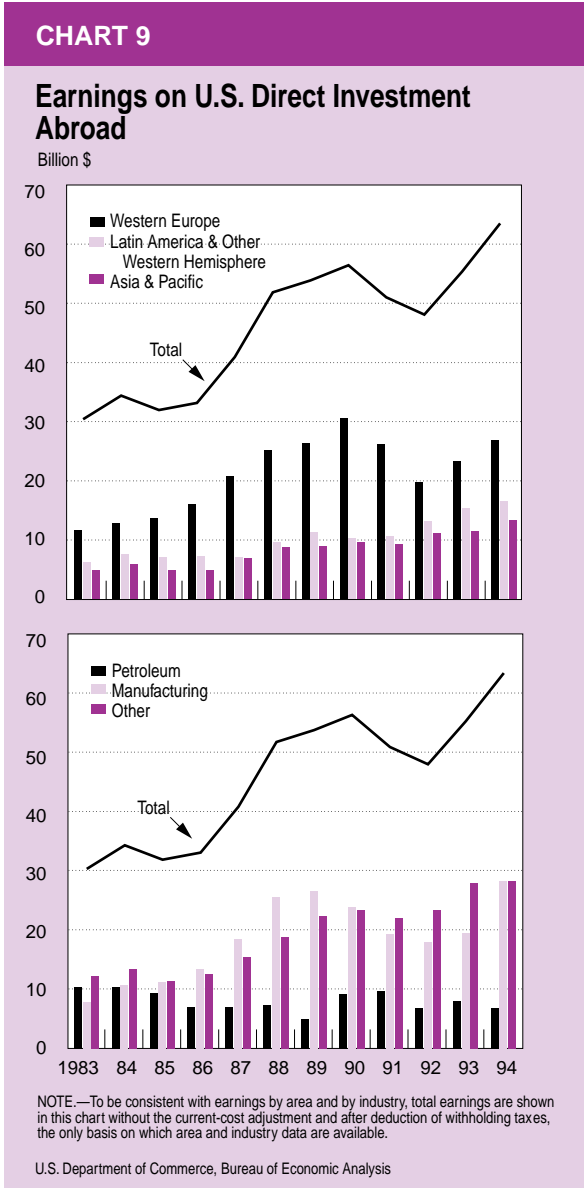
ing charges against income for affiliates located in those countries.

Earnings for affiliates in Canada and the United Kingdom combined recovered strongly in 1993 and, when combined with the increase in earn-

Table N.—Other Private Income
[Billions of dollars]

	1992	1993	1994 ^P
Receipts	57.4	51.3	64.2
Dividends	5.4	6.0	7.4
Interest on bonds	14.8	16.6	20.1
Interest on bank claims	22.4	16.6	21.5
Interest on other claims ¹	14.8	12.1	15.2
Payments	67.3	63.2	77.8
Dividends	9.4	9.8	10.5
Interest on bonds	23.0	24.3	26.3
Interest on bank liabilities	25.0	20.5	29.2
Interest on other liabilities ¹	9.9	8.6	11.8

^P Preliminary.
1. Primarily income of business concerns other than banks.
NOTE.—Excludes direct investment income receipts and payments.



ings in Latin America (primarily Brazil), more than offset declining earnings in continental Europe and Japan that were attributable to recessions in those countries. By 1994, earnings in continental Europe and Japan turned up as the recessions ended, and earnings in Canada and the United Kingdom combined continued to rise. By industry, earnings of banking and finance affiliates were particularly strong in 1993 as a result of increased activity in banking and securities markets. In 1994, manufacturing earnings accounted for all of the increase in total earnings (chart 9).

Payments of income on foreign direct investment in the United States were \$25.2 billion in 1994, up from \$5.1 billion in 1993 (table M). The step-up was the result of a shift in earnings to profits of \$15.2 billion from a loss of \$1.0 billion; exceptionally strong increases occurred in manufacturing (especially computers, semiconductors, metals, and chemicals), as well as in wholesale trade and banking. This level of profits far exceeded the previous peak of \$6.8 billion in 1988. In addition, interest payments increased to \$10.0 billion from \$6.2 billion. The increase in interest payments reflected, in addition to higher interest payments on intercompany debt, increased interest payments on swap transactions, especially in the fourth quarter.

Earnings have responded to 3 years of growth in the U.S. economy. Losses in 1991 of affiliates of European parents quickly turned to profits in 1992—the first year after the U.S. recession—and accelerated strongly in 1993–94. However,

continued heavy losses in 1992–93 by affiliates of Japanese parents (largely concentrated in real estate and service industries, such as hotels) kept total earnings for all affiliates negative in those years, both because affiliates took large restructuring charges against income and because recoveries in these industries were slow. By 1994, earnings of Japanese affiliates showed only small profits. By industry, earnings of wholesale (which includes some automotive manufacturing), banking, and retail affiliates have shown the greatest response to 3 years of expansion in U.S. economic activity, while real estate and service industries continued to show very sizable losses (chart 10).

Portfolio investment income.—Receipts of income on other private investment increased to \$64.2 billion in 1994, up from \$51.3 billion in 1993 (table N, chart 8). The increase was due to higher receipts on bank and nonbank claims, reflecting sharply higher interest rates. Strong U.S. demand for foreign securities, though substantially less than in 1993, led to higher interest and dividend receipts.

Receipts of income on U.S. Government assets decreased to \$4.0 billion from \$5.1 billion, mostly as a result of lower holdings of foreign currencies (table O).

Payments of income on other private investment increased to \$77.8 billion in 1994, up from \$63.2 billion in 1993. Most of the rise was attributable to higher payments on bank and nonbank liabilities, reflecting higher interest rates

Table O.—Selected U.S. Government Transactions

[Millions of dollars]

	1992	1993	1994 ^P	1994			
				I	II	III ^r	IV ^P
U.S. Government grants	-15,010	-14,621	-14,532	-2,371	-3,590	-2,839	-5,731
Disbursed	-16,307	-14,622	-14,533	-2,372	-3,590	-2,839	-5,731
For debt forgiveness	-57	-667	-1,080	.....	-860	-220	.....
Other disbursements	-15,917	-13,869	-13,453	-2,372	-2,730	-2,619	-5,731
Received	1,297	1	1	1	.....	.....	.....
For Defense Cooperation Account	1,286	.....	.....	.....	.....	.....	.....
Other Receipts	11	1	1	1	.....	.....	.....
U.S. Government credits and other long-term assets	-7,392	-6,024	-5,156	-746	-988	-1,208	-2,214
For debt rescheduling	-3,894	-1,821	-1,271	-113	-5	-129	-1,023
Other disbursements	-3,498	-4,203	-3,885	-633	-983	-1,079	-1,191
Repayments of U.S. Government credits and other long-term	5,805	6,026	4,923	1,108	1,640	1,354	821
From debt rescheduling	2,230	460	191	78	1	76	36
From debt forgiveness	57	667	1,080	.....	860	220	.....
Other repayments	3,519	4,897	3,652	1,029	780	1,058	785
U.S. Government receipts of income	7,114	5,069	4,038	1,132	794	1,055	1,056
From debt rescheduling	1,082	272	178	22	1	30	125
From debt forgiveness .....	.....	.....	.....	.....	.....	.....	.....
Other receipts	6,032	4,797	3,860	1,110	793	1,026	931
U.S. Government payments of income	-40,480	-41,561	-47,019	-10,805	-11,221	-11,834	-13,159

^r Revised.

^P Preliminary.

and larger liabilities outstanding. Strong foreign demand for U.S. securities, though somewhat less than in 1993, led to higher interest and dividend payments.

Payments of income on U.S. Government liabilities increased to \$47.0 billion from \$41.6 billion, reflecting both higher interest rates and larger liabilities outstanding (table O).

Unilateral transfers

Net unilateral transfers were \$34.1 billion in 1994, compared with \$32.1 billion in 1993. Nearly all of the increase was attributable to private remittances and other transfers, which were boosted by higher net tax payments. U.S. Government grants were slightly lower. Disbursements fell for some programs and rose for others, including those for debt forgiveness (primarily to Poland and Jordan) (table O).

Capital Account

Net recorded capital inflows—that is, net changes in U.S. assets abroad less net changes in foreign assets in the United States—increased to \$188.9 billion in 1994 from \$82.8 billion in 1993. In 1994, increases in foreign assets in the United States were sharply higher, especially for U.S. bank liabilities and for foreign direct investment. Increases in U.S. assets abroad slowed, largely as a result of sharply lower net U.S. purchases of foreign securities.

U.S. assets abroad

U.S. assets abroad increased \$125.7 billion in 1994, compared with an increase of \$147.9 billion in 1993. The slowdown was more than accounted for by sharply lower outflows for net U.S. purchases of foreign securities.

U.S. official reserve assets.—U.S. official reserve assets decreased \$5.3 billion in 1994, following an increase of \$1.4 billion (table C). The decrease in 1994 was more than accounted for by intervention sales of German marks and Japanese yen in exchange markets (\$3.5 billion in German marks and \$2.6 billion in Japanese yen) when the U.S. dollar was under heavy pressure in the second and fourth quarters. Other transactions in foreign currencies included the liquidation of Swiss franc, French franc, and British pound holdings in the second quarter.

U.S. Government assets other than official reserve assets.—U.S. Government assets other than official reserve assets increased \$0.3 billion in

1994, unchanged from last year's increase. U.S. Government credits and other long-term assets increased \$5.2 billion, down from a \$6.1 billion increase. Disbursements for most loan programs were lower, as were disbursements for debt reschedulings. Disbursements were augmented by \$0.8 billion in new credits to the Government of the Russian Federation, representing the consolidation and rescheduling of certain debts that the former Soviet Union owed to the U.S. Government (table O). Similar transactions occurred in 1993.

U.S. Government short-term assets reflected the acquisition from U.S. banks of outstanding claims on the former Soviet Union over the course of the year, and their consolidation and rescheduling as a new U.S. Government long-term credit in the fourth quarter.

Claims reported by U.S. banks.—U.S. claims on foreigners reported by U.S. banks increased \$2.0 billion in 1994, compared with a \$32.2 billion decrease in 1993 (tables P and Q).

Banks' own claims payable in dollars decreased for the third consecutive year, but the reduction in 1994 was one-fourth that in either 1992 or 1993. The smaller reduction in 1994 reflected a turnaround in financial and economic conditions abroad, particularly in the second half of the year, when economic recoveries were well under way in most foreign countries. Nonetheless, foreign economies operated well short of output potentials, limiting the demand for funds, including U.S. bank credit.

Rapidly rising U.S. interest rates were also a deterrent to borrowing in the United States. U.S. rates were lower than foreign rates early in the year, but by yearend, they exceeded foreign rates, and funds were available more cheaply in banking and securities markets abroad.

Finally, the shift away from traditional bank intermediation into securities continued strongly in 1994. Securities markets abroad, particularly the Euro medium-term note market, were important sources of short- and intermediate-term funds for foreign borrowers in 1994, even more so than in 1993. Despite the substantial rise in borrowing rates, borrowing from these facilities grew rapidly in 1994.

Interbank claims increased \$8.1 billion, compared with a \$28.9 billion decrease. Most lending was by foreign-owned banks in the United States to unaffiliated banks in Western Europe, Japan, and Mexico to support brief periods of midyear and yearend credit demand. U.S.-owned banks

provided only limited funds to their affiliated offices in the Caribbean.

Claims on foreign public borrowers and other private foreigners decreased \$12.1 billion, following a \$12.7 billion increase. A reduction in claims on foreign public borrowers in Brazil resulted largely from debt-restructuring programs.

Banks' customers' claims increased \$11.3 billion, following a decrease of \$13.4 billion. The increase occurred mostly in the fourth quarter, when U.S. nonbanks sharply stepped up their level of overnight deposits with Caribbean branches of U.S. banks; these deposits were largely re-lent to U.S.-owned banks to finance domestic (U.S.) loan expansion. This increase in U.S. banks' claims was partly offset by a decrease in placements of foreign commercial paper in the U.S.

market that was due to a more rapid rise in U.S. rates than in foreign rates; placements decreased \$10.7 billion, compared with a decrease of \$0.4 billion.

Banks' own claims payable in foreign currencies decreased \$5.2 billion, compared with a \$2.6 billion decrease. Lending in the first quarter, when the dollar fell sharply in exchange markets, was mostly to Japan; these loans were largely repaid in the second quarter. There was little lending in foreign currencies in the last half of the year.

Foreign securities.—Net U.S. purchases of foreign securities dropped sharply to \$60.6 billion from the exceptionally high \$120.0 billion reached in 1993. Net purchases of foreign bonds accounted

Table P.—Private Capital Flows, Net

[Billions of dollars, quarters seasonally adjusted]

Claims (increase/capital outflow (–)); liabilities (increase/capital inflow (+))	1992	1993	1994 ^P	1994			
				I ^r	II ^r	III ^r	IV ^P
Private capital flows	42.1	12.8	136.8	52.7	29.1	35.4	45.8
Bank-reported capital, net ¹	37.8	50.7	104.2	34.0	40.7	19.7	9.8
U.S. claims	22.3	32.2	–2.0	–1.2	15.2	1.3	–17.3
U.S. liabilities ¹	15.5	18.5	106.2	35.2	25.5	18.4	27.1
Securities, net	21.7	–15.1	30.9	5.9	–8.3	11.2	22.1
Net U.S. purchases of foreign securities	–45.1	–120.0	–60.6	–24.6	–14.0	–8.1	–13.9
Stocks	–30.7	–60.6	–43.0	–17.4	–11.7	–5.9	–8.0
Bonds	–14.4	–59.4	–17.6	–7.2	–2.3	–2.2	–5.9
Net foreign purchases of U.S. securities	66.8	104.9	91.5	30.5	5.7	19.3	36.0
U.S. Treasury securities	36.9	24.8	32.9	9.2	–7.4	5.1	26.0
Other than U.S. Treasury securities	29.9	80.1	58.6	21.3	13.1	14.2	10.0
Stocks	–4.4	18.6	2.8	6.6	–1.6	.8	–3.0
Bonds	34.3	61.5	55.8	14.7	14.7	13.4	13.0
Direct investment, net	–31.1	–36.5	1.7	–13.0	–2.7	3.5	13.9
U.S. direct investment abroad	–41.0	–57.9	–58.4	–25.0	–8.2	–11.2	–14.0
Foreign direct investment in the United States	9.9	21.4	60.1	12.0	5.5	14.7	27.9
Nonbank-reported capital, net	13.7	13.7	n.a.	25.8	–6	1.0	n.a.
U.S. claims .....	.1	–6	n.a.	1.9	–4.3	–7.4	n.a.
U.S. liabilities	13.6	14.3	n.a.	5.9	3.7	8.4	n.a.

n.a. Not available.

^r Revised.

^P Preliminary.

1. Liabilities exclude U.S. Treasury securities.

Table Q.—U.S. Bank-Reported Claims and Liabilities by Type

[Billions of dollars]

	1992	1993	1994 ^P	1994			
				I	II	III ^r	IV ^P
Claims on foreigners reported by U.S. banks (increase/capital outflow (–))	22.3	32.2	–2.0	–1.2	15.2	1.3	–17.3
Banks' claims for own accounts, payable in dollars:							
Own foreign offices	14.8	17.7	3.1	5.9	–9.1	6.6	–3
Unaffiliated banks	7.3	11.3	–11.2	3.2	–7.1	1.5	–8.8
Public borrowers and other foreigners	–7.2	–12.8	12.2	–1.1	14.5	–6.4	5.2
Banks' claims for domestic customers' accounts, payable in dollars	–1.9	12.2	–4.8	4.8	.4	3.0	–13.0
Claims payable in foreign currencies	9.3	3.8	–1.3	–14.0	16.5	–3.4	–4
Liabilities to foreigners reported by U.S. banks (excluding U.S. Treasury securities) (increase/capital inflow (+))¹	15.5	18.5	106.2	35.2	25.5	18.4	27.1
Banks' liabilities for own accounts, payable in dollars:							
Own foreign offices	1.9	–16.7	78.3	23.1	21.5	11.4	22.3
Unaffiliated banks	14.9	15.3	10.2	.1	11.5	–4.2	2.8
Other private foreigners and international financial institutions	–2.5	2.8	8.1	2.7	2.7	9.1	–6.4
Banks' custody liabilities, payable in dollars	3.5	12.3	–1.6	1.4	3.8	–7.8	1.0
Liabilities payable in foreign currencies	–2.3	4.8	11.2	7.9	–14.0	9.9	7.4

^r Revised.

^P Preliminary.

1. Excludes liabilities to foreign official agencies.

for two-thirds of the drop, and stocks for one-third (table P and chart 11).

Net U.S. purchases of foreign bonds dropped sharply to \$17.6 billion from \$59.4 billion. Most of the drop was the result of a large shift to net sales of \$26.9 billion of British (mainly gilt-edged) bonds from net purchases of \$39.6 billion. The drop was partly offset by larger net purchases of outstanding bonds from other countries. Sharply higher interest rates resulted in large capital losses on bonds, even when converted into dollars at increasingly favorable exchange rates as the year progressed.

Foreign new bond issues in the United States were \$35.4 billion, down from a record \$46.8 billion in 1993. Despite sharply higher interest rates that contributed to a slowdown in refinancings and a shortening in maturities, this was the second highest volume of new issues ever placed in the United States. There were 239 foreign bond issues placed in the United States in 1994, slightly lower than the 250 issues placed in 1993. Transactions in 1994 were bolstered by an exchange of U.S. bank-held Brazilian loans for

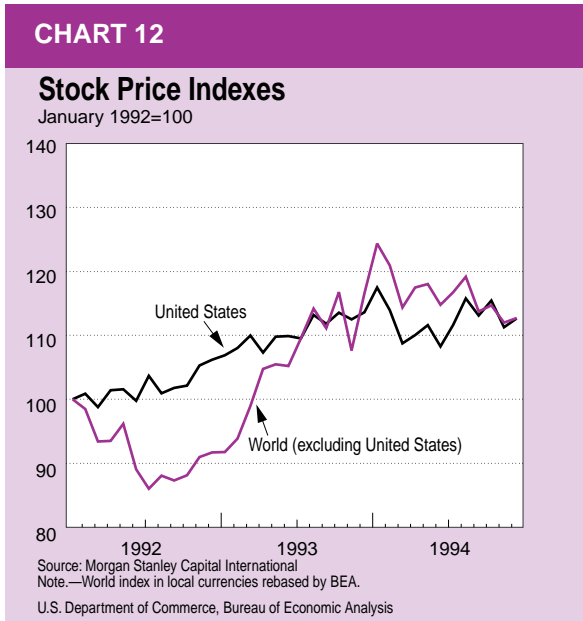
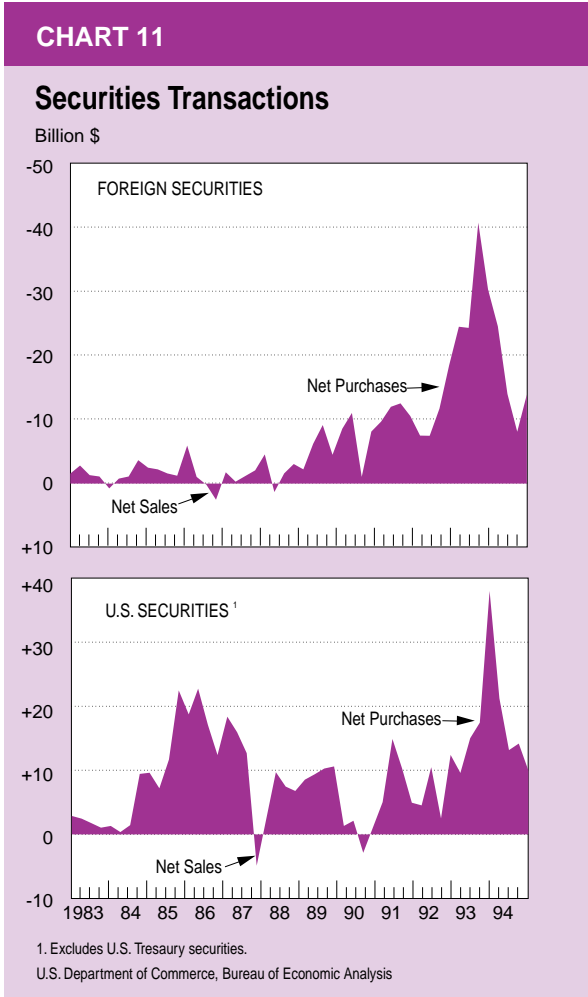
long-term Brazilian bonds as part of a program to restructure Brazilian debt.

Net U.S. purchases of foreign stocks were \$43.0 billion, compared with \$60.6 billion. In contrast to 1993 when foreign stock markets increased especially strongly and outperformed the U.S. market, foreign markets in 1994 were flat or down while the U.S. market changed little. Despite economic recovery in industrial countries, stock prices abroad were held down by sharply higher interest rates and uncertainties about anticipated rates of inflation—the same factors that held down stock prices in the United States (chart 12).

More than half of the decline in net U.S. purchases was with Western Europe, where markets dropped 5–10 percent. Despite these declines, the appreciation of most European currencies against the dollar permitted U.S. holders to offset many of the losses when converted into dollars. The sharp rise in holdings of Japanese stocks was nearly all attributable to purchases in the first half of the year when Japanese stock prices surged; net purchases slowed in the second half as prices fell.

The emerging markets in Latin America and Asia accounted for the remainder of the decline. Purchases were sharply lower in Argentina and Mexico, where stock prices were down 25 percent and 40 percent, respectively, as well as in Asia, where Hong Kong and Malaysian stock prices were down 31 percent and 21 percent, respectively.

Direct investment.—Net capital outflows for U.S. direct investment abroad were \$58.4 billion in 1994, compared with \$57.9 billion in 1993 (table M).



The increase was more than accounted by a rise in reinvested earnings to \$33.8 billion from \$29.6 billion, reflecting growth in profits, and by an increase in net intercompany debt outflows to \$12.0 billion from \$10.9 billion. In contrast, net equity capital outflows dropped suddenly to \$12.6 billion from \$17.4 billion. The drop was mostly with manufacturing affiliates in Western Europe and reflected a return to more moderate levels of financing of these affiliates after several years of strong outflows. Despite the drop, equity outflows in 1994 included several sizable acquisitions.

Foreign assets in the United States

Foreign assets in the United States increased \$314.6 billion in 1994, compared with an increase of \$230.7 billion in 1993. The step-up in inflows was attributable to sharply higher inflows for foreign direct investment in the United States and to a very large step-up in U.S. liabilities reported by U.S. banks. Increases in foreign official assets slowed.

Foreign official assets.—Foreign official assets in the United States increased \$38.9 billion in 1994, compared with a \$71.7 billion increase in 1993. Dollar assets of industrial countries increased strongly in the first three quarters, then decreased in the fourth; for the year, assets of European countries increased somewhat less than in 1993 (table C). Dollar assets of non-OPEC developing countries increased substantially less than in 1993, but included a large shift to outflows for a single Latin American country in the second and fourth quarters and inflows of about the same size from a single Asian country.

Liabilities reported by U.S. banks.—U.S. liabilities reported by U.S. banks, excluding U.S. Treasury securities, increased \$106.2 billion in 1994, compared with an \$18.5 billion increase in 1993. (tables P and Q).

The exceptional strength of inflows in 1994 was partly attributable to the third year of expansion in the U.S. economy. The related rise in demand for credit, which in 1994 was obtained largely through banks, led to an increase of \$60 billion in commercial and industrial (C&I) loans extended by U.S. banks, in contrast to decreases in C&I loans in the previous 2 years. The reserve base for these loans was obtained mostly from abroad, where supplies of funds in the interbank market were plentiful compared with funds available from domestic deposit sources. Most funds were obtained from banks' own branches abroad.

An additional factor that contributed to inflows, particularly in the first half of the year, was uncertainty in the stock, bond, and foreign exchange markets that accompanied the initial and subsequent actions by the Federal Reserve to tighten bank reserve conditions. These actions led to rapid reassessments, and to considerable differences of opinion, by market participants as to how much interest rates had to rise in order to slow the economy. The uncertainty was evidenced by wide fluctuations in stock, bond, and foreign exchange prices. In this rapidly changing environment, foreign investors shifted their asset composition toward short-term bank deposits from long-term instruments.

Finally, interest-rate differentials against holding U.S. dollar assets narrowed rapidly in the first half of the year and then shifted to positive differentials in favor of U.S. assets in the second half, providing a strong incentive to attract deposits to the United States. By yearend, U.S. deposit rates were as much as 400 basis points above the return on short-term Japanese assets and 100 basis points above the return on German assets. The very substantial flattening of the yield curve also encouraged a shift to short-term assets.

U.S. banks' own liabilities, payable in dollars, increased \$96.6 billion. Inflows from own foreign offices increased \$78.3 billion, and inflows from unaffiliated banks increased \$10.2 billion. In much of 1992 and some of 1993, most inflows

Table R.—New International Bond Issues by U.S. Borrowers

[Millions of dollars]

	1992	1993	1994 ^P	1994			
				I	II	III ^r	IV ^P
Total	23,413	33,969	43,332	9,104	8,749	12,354	13,125
By issuer:							
Industrial corporations	3,808	2,210	3,401	120	200	1,260	1,821
Banking corporations ¹	4,317	2,645	5,482	1,788	625	1,178	1,891
Nonbank financial corporations ²	14,896	24,584	27,480	6,715	6,183	6,054	8,528
U.S. federally sponsored agencies .....	.....	300	2,470	.....	.....	2,050	420
All other borrowers	392	4,230	4,499	481	1,741	1,812	465
By instrument:							
Of which: issued through medium-term note programs	3,089	9,838	11,250	2,950	3,704	3,074	1,522
Straight fixed-rate bonds	16,989	21,323	29,797	4,629	6,596	8,654	9,918
Floating-rate notes	4,832	9,845	11,663	4,008	1,439	3,130	3,086
Zero-coupon bonds	398	485	381	34	57	260	30
Bonds convertible into stock	819	2,012	755	433	180	142	.....
Other debt instruments	375	304	736	.....	477	168	91
By currency:							
U.S. dollars	12,050	20,320	22,859	5,946	4,344	4,478	8,091
Foreign currencies	11,363	13,649	20,473	3,158	4,405	7,876	5,034
Japanese yen	1,383	3,349	7,454	286	2,517	4,132	519
Swiss franc	958	938	2,026	207	495	534	790
German mark	2,444	2,543	2,151	24	104	429	1,594
British pound	742	863	1,763	995	222	231	315
European currency unit	2,159	225	1,820	362	232	914	312
Canadian dollar	1,917	2,321	1,735	574	333	682	146
Other currencies	1,760	3,410	3,524	710	502	954	1,358

^P Preliminary.

^r Revised.

1. Includes banks and bank holding companies.

2. Principally credit, securities, brokerage, and insurance companies.

were to foreign-owned banks in the United States; in contrast, more than 85 percent of inflows in 1994 were to U.S.-owned banks, which used the funds to support domestic (U.S.) loan expansion. Inflows were from both affiliated and unaffiliated banks in United Kingdom and Caribbean financial centers.

Banks' own liabilities, payable in foreign currencies, increased \$11.1 billion, compared with a \$4.8 billion increase. Most of the rise was at-

tributable to inflows from Japan. Banks' custody liabilities decreased \$1.6 billion, compared with a \$12.3 billion increase.

U.S. Treasury securities.—Net foreign purchases of U.S. Treasury securities were \$32.9 billion in 1994, compared with net purchases of \$24.8 billion in 1993. Most of the 1994 increase was in the fourth quarter.

Credit-tightening measures led to sharply higher short- and long-term interest rates that

Table S.—Selected U.S. Transactions With OPEC Members ¹

(Millions of dollars)

(Credits +; debits -)	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990 ^r	1991 ^r	1992 ^r	1993 ^r	1994 ^r
Exports of goods, services, and income:															
Merchandise, adjusted, excluding military	17,388	21,091	20,638	15,257	13,775	11,397	10,386	10,714	13,777	13,311	13,401	18,446	20,720	18,692	17,136
Transfers under U.S. military agency sales contracts ..	2,991	3,664	4,700	5,555	3,241	2,890	2,992	2,781	1,430	1,309	2,688	3,651	4,025	3,580	2,582
Royalties and license fees ²	(^D)	69	116	81	74	84	48	103	76	71	94	149	141	168	168
Other private services ²	(^D)	³ 2,762	3,395	3,397	2,619	2,493	³ 2,287	1,929	1,502	1,541	1,547	2,105	2,755	2,617	2,860
U.S. Government miscellaneous services	34	28	29	44	48	41	15	25	18	16	20	16	25	18	16
Income receipts on U.S. assets abroad:															
Direct investment receipts	2,591	4,133	³ 3,474	2,854	3,395	2,481	1,867	1,881	1,826	1,835	2,854	3,293	3,221	2,769	2,590
Other private receipts	1,401	2,047	2,532	2,256	2,453	1,995	1,535	1,680	1,941	2,435	2,193	1,364	994	824	1,248
U.S. Government receipts	147	167	174	274	212	222	196	167	215	154	261	217	187	142	109
Imports of goods, services, and income:															
Merchandise, adjusted, excluding military	-58,803	-49,977	-31,510	-24,919	-26,853	-22,834	-18,893	-24,416	-23,016	-30,712	-38,231	-33,431	-33,718	-32,643	-31,644
Direct defense expenditures	-1,489	-1,862	-1,798	-1,976	-1,440	-962	-494	-370	-377	-614	-1,419	-784	-883	-455	-370
Royalties and license fees ²	(^D)	(^D)	(^D)	(^D)	(^D)	(^D)	(^D)	([*])	-4	-1	([*])	-1	-1	-10	-8
Other private services ²	(^D)	³ (D)	(D)	(D)	(D)	(D)	³ (D)	-211	-222	-205	-300	-435	-381	-342	-380
U.S. Government miscellaneous services	-73	-85	-98	-106	-116	-120	-102	-118	-96	-104	-93	-90	-88	-80	-37
Income payments on foreign assets in the United States:															
Direct investment payments	-40	-48	-327	27	38	-72	114	-78	164	-50	-98	-74	27	-74	-26
Other private payments	-2,592	-3,294	-3,556	-2,914	-3,094	-2,499	-1,916	-1,837	-2,175	-2,798	-2,848	-2,627	-2,110	-1,935	-2,195
U.S. Government payments	-2,430	-4,007	-6,062	-5,462	-4,806	-4,241	-3,141	-2,586	-2,141	-2,758	-3,297	-2,784	-2,514	-2,218	-1,995
U.S. Government grants	-73	-57	-53	-56	-68	-64	-75	-85	-99	-130	3,367	27,449	1,121	-86	-8
U.S. Government pensions and other transfers	-17	-7	-7	-8	-8	-9	-9	-14	-10	16	-12	-292	-16	-7	-8
U.S. assets abroad, net (increase/capital outflow (-))	290	-3,147	-6,891	-4,262	-1,171	2,010	-1,001	-511	-980	-1,875	1,853	-579	-11,900	1,081	-1,089
U.S. Government assets, other than official reserve assets, net	-251	-188	41	82	-92	-7	158	141	-61	135	-247	-790	-530	13	-303
U.S. credits and other long-term assets	-353	-432	-195	-525	-425	-358	-195	-165	-396	-212	-647	-246	-275	-85	-196
Repayments on U.S. credits and other long-term assets	112	251	238	586	331	348	349	308	344	343	481	397	278	223	163
U.S. foreign currency holdings and U.S. short-term assets, net	-10	-7	-2	21	2	3	4	-2	-9	4	-81	-941	-533	-125	-270
U.S. private assets, net	541	-2,959	-6,932	-4,344	-1,079	2,017	-1,159	-652	-919	-2,010	2,100	211	-11,370	1,068	-786
Direct investment abroad	2,106	-523	-1,605	-1,260	-1,698	336	-1,413	-4	937	535	-1,277	-2,706	-1,490	-1,576	-1,635
Foreign securities	321	130	-218	-77	324	156	33	58	-365	96	-2,815	-17	625	-664	-1,589
U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-202	-264	589	98	171	208	43	81	41	100	13	-224	-44	-213	31
U.S. claims reported by U.S. banks, not included elsewhere	-1,684	-2,302	-5,698	-3,105	124	1,317	178	-787	-1,532	-2,741	6,179	3,158	-10,461	3,521	2,407
Foreign assets in the United States, net (increase/capital inflow(+))	14,968	14,784	10,488	-7,931	-3,133	-3,393	-9,380	-5,371	-728	15,282	3,320	-4,643	14,745	-8,763	1,975
Of which: foreign official	12,680	13,092	7,271	-8,561	-4,664	-6,644	-9,308	-9,939	-2,885	10,724	1,555	-5,442	5,942	-3,847	-1,049
U.S. Treasury securities	9,566	10,338	7,345	-6,650	-3,501	-1,389	-4,938	-5,398	1,688	7,815	-244	-5,902	4,323	-5,987	-1,171
Other U.S. securities	4,688	4,621	-673	-1,947	-3,228	-2,327	-1,746	-1,808	-2,591	3,170	-2,676	1,989	4,186	3,297	-788
Other U.S. Government liabilities	543	416	737	-276	838	23	-427	-957	177	437	505	-56	885	747	2,046
U.S. liabilities reported by U.S. banks, not included elsewhere	-1,161	-2,054	4,660	1,043	3,458	325	-1,459	2,405	-1,146	1,836	5,686	-164	4,793	-5,636	1,370
Direct investment in the United States	240	2,689	1,427	-11	747	176	510	296	1,629	1,503	-662	61	67	-975	290
U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	1,092	-1,226	-3,008	-90	-1,447	-201	-1,320	91	-485	521	711	-571	491	-209	228
All other transactions with OPEC and transfers of funds between foreign areas, net	24,412	13,517	4,926	18,111	15,012	10,802	15,784	16,317	8,899	3,277	14,700	-10,950	3,650	16,722	9,076
Memorandum:															
Balance on merchandise trade	-41,415	-28,886	-10,872	-9,662	-13,078	-11,437	-8,507	-13,702	-9,239	-17,401	-24,830	-14,985	-12,998	-13,951	-14,508

^D Suppressed to avoid disclosure of data of individual companies.

^r Revised.

^P Preliminary.

^{*} Less than \$500,000 (±).

1. OPEC members are Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates, and Venezuela. Beginning in January 1993, excludes Ecuador. Individual country information

is not available for all accounts; therefore, some accounts are estimated from regional data.

2. Beginning in 1982, these lines are presented on a gross basis. The definition of exports is revised to exclude U.S. parents' payments to foreign affiliates and to include U.S. affiliates' receipts from foreign parents. The definition of imports is revised to include U.S. parents' payments to foreign affiliates and to exclude U.S. affiliates' receipts from foreign parents.

3. Break in series. See Technical Notes in June 1989 and June 1990 SURVEY.

created large capital losses in bonds and kept demand to moderate levels in the first three quarters of the year. A declining dollar in foreign exchange markets also moderated demand.

By the fourth quarter, however, most price declines had been completed, and the dollar turned up in November and December. Also by this time, the difference between short- and long-term rates on U.S. Government securities had diminished to 15 basis points from more than 200 basis points at the beginning of the year; this reduction made 2-year bonds especially attractive in relation to long-term maturities and brought rates on short-term maturities to 7.69 percent, their highest level in 4 years. These conditions led to exceptionally strong inflows for the quarter.

By country, British investors made net purchases of \$22.6 billion, mostly in the second half of the year; Japanese investors made net purchases of \$13.7 billion, which were spread throughout most of the year; and Netherlands Antilles investors made net purchases of \$10.1 billion, mostly in the fourth quarter.

Other U.S. securities.—Net foreign purchases of U.S. securities other than U.S. Treasury securities were \$58.6 billion in 1994, down from \$80.1 billion in 1993. Most of the drop was attributable to a decline in stocks; the decline in bonds was limited by record new issues in the Eurobond market (table P and chart 11).

Net foreign purchases of U.S. stocks dropped sharply to \$2.8 billion from a record \$18.6 billion. Sharply higher interest rates led to little net gain in stock prices for the year despite strong corporate earnings growth. Depreciation of the dollar in exchange markets also discouraged purchases. This environment was in marked contrast to that in 1993, when sharply lower interest rates, strong corporate earnings growth, and dollar appreciation led to steadily rising stock prices and rising net foreign purchases (chart 12).

Net foreign purchases of corporate and other bonds decreased to \$55.8 billion from \$61.5 billion. A record increase in new offshore issues limited the decline in purchases of outstanding bonds.

New bond issues sold abroad by U.S. corporations increased to a record \$40.9 billion from \$33.7 billion. Despite rising and sometimes volatile interest rates, issues were spurred by a large volume of maturing issues and by lower interest rates than were available in the United States. Most of these issues were of relatively short maturity. Straight fixed-rate bonds, Euro medium-term note programs, and floating-rate notes all increased even more strongly than last year. The U.S. dollar remained the most popular currency for new issues; however, issues denominated in Japanese yen were sharply higher. Issues placed by nonbank financial corporations and by banking corporations accounted for most of the increase in offshore issues (table R).

Direct investment.—Net capital inflows for foreign direct investment in the United States were \$60.1 billion in 1994, compared with inflows of \$21.4 billion in 1993 (table M).

Reinvested earnings shifted to inflows of \$7.3 billion from outflows of \$9.4 billion. Negative reinvested earnings, which had begun to diminish in 1992 and 1993 as a result of strong expansion in the U.S. economy, turned positive in 1994 as the expansion continued. Affiliates of Western European parents accounted for most of the higher positive reinvested earnings in 1994. Affiliates of Japanese parents still had negative reinvested earnings, but less so than last year, when Japanese affiliates accounted for over one-half of all negative reinvested earnings.

Net intercompany debt inflows were \$21.2 billion, compared with \$9.1 billion, as foreign parents repaid loans from their U.S. affiliates, particularly loans to finance affiliates.

Net equity capital inflows were \$31.6 billion, compared with \$21.7 billion. For the first three quarters of 1994, inflows were at the same pace as in 1993, but several large acquisitions and numerous mid-sized acquisitions in the fourth quarter pushed equity inflows to an exceptionally high quarterly level. For the year, the United Kingdom accounted for two-thirds (\$6.6 billion) of the step-up. Japan had the next largest step-up (\$2.2 billion), followed by Other Western Europe (\$1.5 billion).


Tables 1 through 10 follow. 

Table 1.—U.S. International Transactions

[Millions of dollars]

Line	(Credits +; debits -) ¹	1993	1994 ^P	Not seasonally adjusted				Seasonally adjusted			
				1994				1994			
				I	II	III ^r	IV ^P	I ^r	II ^r	III ^r	IV ^P
1	Exports of goods, services, and income	755,533	832,871	194,016	203,942	211,700	223,214	194,616	202,299	212,928	223,032
2	Merchandise, adjusted, excluding military ²	456,866	502,729	118,377	125,032	123,879	135,441	117,848	122,510	127,632	134,739
3	Services ³	184,811	195,287	45,648	46,719	53,060	49,860	46,889	47,921	49,670	50,810
4	Transfers under U.S. military agency sales contracts ⁴	11,413	10,845	2,459	2,812	2,811	2,764	2,459	2,812	2,811	2,764
5	Travel	57,621	60,001	12,928	14,568	18,018	14,487	14,427	14,615	15,203	15,757
6	Passenger fares	16,550	17,651	3,904	4,100	5,359	4,288	4,195	4,284	4,499	4,674
7	Other transportation	23,151	24,733	5,720	5,994	6,380	6,640	5,870	6,047	6,251	6,565
8	Royalties and license fees ⁵	20,398	22,823	5,011	5,423	5,737	6,651	5,340	5,465	5,981	6,037
9	Other private services ⁵	54,870	58,453	15,420	13,675	14,554	14,803	14,392	14,551	14,724	14,785
10	U.S. Government miscellaneous services	808	782	207	147	201	228	207	147	201	228
11	Income receipts on U.S. assets abroad	113,856	134,855	29,991	32,191	34,760	37,913	29,879	31,868	35,626	37,483
12	Direct investment receipts	57,515	66,585	15,009	15,884	17,143	18,549	15,011	15,421	18,110	18,044
13	Other private receipts	51,272	64,232	13,849	15,513	16,562	18,308	13,849	15,513	16,562	18,308
14	U.S. Government receipts	5,070	4,038	1,132	794	1,056	1,056	1,019	934	954	1,131
15	Imports of goods, services, and income	-827,312	-954,422	-211,756	-232,059	-250,618	-259,989	-219,756	-231,755	-245,703	-257,211
16	Merchandise, adjusted, excluding military ²	-589,441	-669,093	-150,143	-163,310	-173,898	-181,742	-154,900	-164,231	-172,247	-177,715
17	Services ³	-127,961	-135,293	-31,494	-33,650	-36,573	-33,576	-34,157	-32,837	-33,793	-34,509
18	Direct defense expenditures	-12,176	-10,577	-2,796	-2,635	-2,581	-2,565	-2,796	-2,635	-2,581	-2,565
19	Travel	-40,564	-43,059	-9,098	-11,006	-12,754	-10,201	-11,180	-10,082	-10,496	-11,301
20	Passenger fares	-11,416	-12,558	-2,682	-3,210	-3,570	-3,096	-3,024	-3,071	-3,129	-3,335
21	Other transportation	-24,502	-25,718	-5,997	-6,294	-6,841	-6,586	-6,093	-6,353	-6,682	-6,591
22	Royalties and license fees ⁵	-4,840	-5,926	-1,559	-1,340	-1,454	-1,572	-1,609	-1,351	-1,431	-1,536
23	Other private services ⁵	-32,119	-34,791	-8,717	-8,505	-8,669	-8,900	-8,811	-8,685	-8,770	-8,525
24	U.S. Government miscellaneous services	-2,344	-2,663	-644	-660	-704	-656	-644	-660	-704	-656
25	Income payments on foreign assets in the United States	-109,910	-150,036	-30,119	-35,099	-40,147	-44,671	-30,699	-34,687	-39,663	-44,987
26	Direct investment payments	-5,110	-25,188	-2,979	-4,986	-8,407	-8,816	-3,559	-4,574	-7,923	-9,132
27	Other private payments	-63,239	-77,829	-16,335	-18,892	-19,906	-22,696	-16,335	-18,892	-19,906	-22,696
28	U.S. Government payments	-41,561	-47,019	-10,805	-11,221	-11,834	-13,159	-10,805	-11,221	-11,834	-13,159
29	Unilateral transfers, net	-32,117	-34,121	-7,198	-7,905	-7,826	-11,192	-7,098	-8,371	-8,073	-10,579
30	U.S. Government grants ⁴	-14,620	-14,532	-2,371	-3,590	-2,839	-5,731	-2,371	-3,590	-2,839	-5,731
31	U.S. Government pensions and other transfers	-3,785	-4,246	-770	-669	-1,176	-1,632	-889	-895	-1,474	-988
32	Private remittances and other transfers ⁶	-13,712	-15,343	-4,057	-3,647	-3,811	-3,829	-3,838	-3,886	-3,760	-3,860
33	U.S. assets abroad, net (increase/capital outflow (-))	-147,898	-125,687	-49,495	-8,818	-27,161	-40,212	-48,456	-7,251	-25,849	-44,136
34	U.S. official reserve assets, net ⁷	-1,379	5,346	-59	3,537	-165	2,033	-59	3,537	-165	2,033
35	Gold	-537	-441	-101	-108	-111	-121	-101	-108	-111	-121
36	Special drawing rights	-44	494	-3	251	273	-27	-3	251	273	-27
37	Reserve position in the International Monetary Fund	-797	5,293	45	3,394	-327	2,181	45	3,394	-327	2,181
38	Foreign currencies	-306	-278	490	462	-269	-961	490	462	-270	-961
39	U.S. Government assets, other than official reserve assets, net	-6,024	-5,156	-747	-988	-1,208	-2,214	-747	-988	-1,208	-2,214
40	U.S. credits and other long-term assets	6,026	4,923	1,108	1,640	1,354	821	1,108	1,640	1,354	821
41	Repayments on U.S. credits and other long-term assets ⁸	-308	-45	129	-190	-416	432	129	-190	-416	432
42	U.S. foreign currency holdings and U.S. short-term assets, net	-146,213	-130,755	-49,926	-12,818	-26,727	-41,285	-48,887	-11,250	-25,414	-45,208
43	Direct investment	-57,870	-58,422	-26,026	-9,795	-12,536	-10,066	-24,987	-8,227	-11,223	-13,989
44	Foreign securities	-119,983	-60,621	-24,605	-14,007	-8,103	-13,906	-24,605	-14,007	-8,103	-13,906
45	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-598	n.a.	1,941	-4,264	-7,356	n.a.	1,941	-4,264	-7,356	n.a.
46	U.S. claims reported by U.S. banks, not included elsewhere	32,238	-2,033	-1,236	15,248	1,268	-17,313	-1,236	15,248	1,268	-17,313
47	Foreign assets in the United States, net (increase/capital inflow (+))	230,698	314,614	94,769	49,800	80,777	89,268	95,130	49,309	80,254	89,921
48	Foreign official assets in the United States, net	71,681	38,912	11,530	8,925	19,460	-1,003	11,530	8,925	19,460	-1,003
49	U.S. Government securities	52,764	36,429	1,243	8,388	17,844	8,954	1,243	8,388	17,844	8,954
50	U.S. Treasury securities ⁹	48,702	30,441	1,193	6,033	15,841	7,374	1,193	6,033	15,841	7,374
51	Other ¹⁰	4,062	5,988	50	2,355	2,003	1,580	50	2,355	2,003	1,580
52	Other U.S. Government liabilities ¹¹	1,666	2,514	938	252	700	624	938	252	700	624
53	U.S. liabilities reported by U.S. banks, not included elsewhere	14,666	2,317	10,139	1,241	1,695	-10,758	10,139	1,241	1,695	-10,758
54	Other foreign official assets ¹²	2,585	-2,348	-790	-956	-779	177	-790	-956	-779	177
55	Other foreign assets in the United States, net	159,017	275,702	83,239	40,875	61,317	90,271	83,600	40,384	60,794	90,924
56	Direct investment	21,366	60,071	11,654	5,956	15,259	27,202	12,015	5,465	14,736	27,855
57	U.S. Treasury securities	24,849	32,925	9,260	-7,434	5,111	25,988	9,260	-7,434	5,111	25,988
58	U.S. securities other than U.S. Treasury securities	80,068	58,562	21,258	13,152	14,168	9,984	21,258	13,152	14,168	9,984
59	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	14,282	n.a.	5,867	3,662	8,426	n.a.	5,867	3,662	8,426	n.a.
60	U.S. liabilities reported by U.S. banks, not included elsewhere	18,452	106,189	35,200	25,539	18,353	27,097	35,200	25,539	18,353	27,097
61	Allocations of special drawing rights										
62	Statistical discrepancy (sum of above items with sign reversed)	21,096	-33,255	-20,335	-4,959	-6,871	-1,089	-14,436	-4,231	-13,557	-1,027
63a	Of which seasonal adjustment discrepancy							5,899	728	-6,686	62
64	Memoranda:										
65	Balance on merchandise trade (lines 2 and 16)	-132,575	-166,364	-31,766	-38,278	-50,019	-46,301	-37,052	-41,721	-44,615	-42,976
66	Balance on services (lines 3 and 17)	56,850	59,994	14,154	13,069	16,487	16,284	12,732	15,084	15,877	16,301
67	Balance on goods and services (lines 64 and 65)	-75,725	-106,370	-17,612	-25,209	-33,532	-30,017	-24,320	-26,637	-28,738	-26,675
68	Balance on investment income (lines 11 and 25)	3,946	-15,181	-128	-2,908	-5,387	-6,759	-820	-2,819	-4,037	-7,504
69	Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67) ¹³	-71,779	-121,551	-17,740	-28,117	-38,919	-36,776	-25,140	-29,456	-32,775	-34,179
70	Unilateral transfers, net (line 29)	-32,117	-34,121	-7,198	-7,905	-7,826	-11,192	-7,098	-8,371	-8,073	-10,579
71	Balance on current account (lines 1, 15, and 29 or lines 68 and 69) ¹³	-103,896	-155,673	-24,938	-36,023	-46,745	-47,967	-32,238	-37,827	-40,848	-44,758

See footnotes on page 98.

Table 2.—U.S. Merchandise Trade

[Millions of dollars]

Line		1993	1994 ^P	Not seasonally adjusted								Seasonally adjusted							
				1993			1994					1993			1994				
				II	III	IV	I ^r	II ^r	III ^r	IV ^P	II	III	IV	I ^r	II ^r	III ^r	IV ^P		
A	Balance of payments adjustments to Census trade data:																		
	EXPORTS																		
1	Merchandise exports, Census basis ¹ including reexports and including military grant shipments	465,090	512,660	117,914	110,296	122,853	120,515	127,354	126,567	138,224	115,863	113,939	121,762	119,986	124,832	130,320	137,522		
	Adjustments:																		
2	Private gift parcel remittances	1,220	1,130	304	286	318	342	322	211	255	304	286	318	342	322	211	255		
3	Gold exports, nonmonetary	88					38		25	25				38		25	25		
4	Inland U.S. freight to Canada ²																		
5	U.S.–Canadian reconciliation adjustments, n.e.c., net ³																		
6	Merchandise exports transferred under U.S. military agency sales contracts identified in Census documents ⁴	-8,166	-9,370	-2,045	-2,090	-2,146	-2,066	-2,139	-2,471	-2,694	-2,045	-2,090	-2,146	-2,066	-2,139	-2,471	-2,694		
7	Other adjustments, net ⁵	-1,278	-1,780	-336	-399	-254	-452	-505	-453	-369	-336	-399	-254	-452	-505	-453	-369		
8	Equals: Merchandise exports, adjusted to balance of payments basis excluding "military" (table 1, line 2)	456,866	502,729	115,837	108,093	120,771	118,377	125,032	123,879	135,441	113,787	111,736	119,679	117,848	122,510	127,632	134,739		
	IMPORTS																		
9	Merchandise imports, Census basis ¹ (general imports)	580,658	663,768	144,544	147,453	154,042	147,830	161,958	173,055	180,925	145,647	145,398	150,269	152,588	162,879	171,404	176,897		
	Adjustments:																		
10	Electric energy	84	84	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	
11	Gold imports, nonmonetary	6,775	2,752	1,358	2,347	2,067	1,699	716	214	123	1,358	2,347	2,067	1,699	716	214	123		
12	Inland freight in Canada ²	2,768	3,129	690	653	720	766	776	769	818	690	653	720	766	776	769	818		
13	U.S.–Canadian reconciliation adjustment, n.e.c., net ³																		
14	Merchandise imports of U.S. military agencies identified in Census documents ⁴	-704	-549	-177	-163	-184	-153	-144	-130	-122	-177	-163	-184	-153	-144	-130	-122		
15	Other adjustments, net ^{6,7}	-140	-91	-25	-33	-44	-20	-17	-31	-23	-25	-33	-44	-20	-17	-31	-23		
16	Equals: Merchandise imports, adjusted to balance of payments basis, excluding "military" (table 1, line 16)	589,441	669,093	146,411	150,278	156,622	150,143	163,310	173,898	181,742	147,514	148,224	152,848	154,900	164,231	172,247	177,715		
B	Merchandise trade, by area and country, adjusted to balance of payments basis, excluding military: ⁸																		
	EXPORTS																		
1	Total, all countries (A–8)	456,866	502,729	115,837	108,093	120,771	118,377	125,032	123,879	135,441	113,787	111,736	119,679	117,848	122,510	127,632	134,739		
2	Western Europe	111,257	115,317	27,460	24,906	29,316	28,833	28,835	26,533	31,116	26,939	25,709	29,111	28,764	28,226	27,310	31,017		
3	European Union	94,992	100,398	22,722	20,931	25,234	25,210	24,890	23,059	27,239	22,294	21,608	25,054	25,147	24,367	23,730	27,154		
4	Belgium and Luxembourg	9,352	11,091	2,105	2,151	2,765	2,397	2,613	2,814	3,267	2,063	2,215	2,748	2,391	2,554	2,887	3,259		
5	France	13,227	13,613	3,341	2,835	3,120	3,335	3,251	3,247	3,780	3,275	2,920	3,104	3,330	3,178	3,329	3,776		
6	Germany ⁹	18,439	18,748	4,595	4,035	4,679	4,629	4,564	4,347	5,208	4,505	4,163	4,649	4,618	4,466	4,468	5,196		
7	Italy	6,305	7,012	1,760	1,196	1,646	1,567	2,014	1,517	1,914	1,731	1,241	1,633	1,565	1,973	1,566	1,908		
8	Netherlands	12,639	13,326	3,104	2,755	3,251	3,449	3,099	2,922	3,856	3,057	2,857	3,217	3,432	3,044	3,021	3,829		
9	United Kingdom	25,658	25,903	5,504	5,861	7,401	7,194	6,661	5,657	6,391	5,383	6,034	7,357	7,190	6,510	5,816	6,387		
10	Other	9,372	10,705	2,313	2,098	2,372	2,639	2,688	2,555	2,823	2,280	2,178	2,346	2,621	2,642	2,643	2,799		
11	Western Europe, excluding EC	16,265	14,919	4,738	3,975	4,082	3,623	3,945	3,474	3,877	4,645	4,101	4,057	3,617	3,859	3,580	3,863		
12	Canada ³	101,194	115,120	26,834	24,130	25,922	26,108	29,931	27,892	31,189	26,323	24,866	25,751	26,045	29,300	28,655	31,120		
13	Japan	46,684	51,819	11,777	11,531	11,681	12,604	12,565	13,359	13,291	11,624	11,992	11,488	12,479	12,369	13,828	13,143		
14	Australia, New Zealand, and South Africa ¹⁰																		
15	Australia	8,109	9,554	2,035	2,038	2,105	2,080	2,296	2,680	2,498	1,991	2,098	2,091	2,073	2,242	2,749	2,490		
16	Eastern Europe	6,182	5,343	1,778	1,344	1,908	1,155	1,389	1,460	1,339	1,780	1,407	1,857	1,139	1,369	1,515	1,320		
17	Latin America and Other Western Hemisphere	78,198	92,104	19,962	18,907	20,601	20,943	22,483	23,349	25,329	19,602	19,530	20,425	20,845	22,021	24,040	25,198		
18	Brazil	5,930	7,939	1,458	1,416	1,767	1,684	1,609	1,929	2,717	1,426	1,458	1,758	1,682	1,573	1,981	2,703		
19	Mexico	41,478	50,737	10,743	9,795	10,719	11,834	12,587	13,019	13,297	10,552	10,117	10,634	11,772	12,328	13,406	13,231		
20	Venezuela	4,475	3,967	1,149	1,086	1,037	993	1,023	896	1,055	1,128	1,124	1,027	989	1,004	924	1,050		
21	Other	26,315	29,461	6,612	6,610	7,078	6,432	7,264	7,505	8,260	6,496	6,831	7,006	6,402	7,116	7,729	8,214		
22	Other countries in Asia and Africa ^{8 10}	105,018	113,382	25,991	25,237	29,014	26,652	27,533	28,606	30,591	25,528	26,134	28,732	26,501	26,983	29,535	30,363		
23	Asia ^{8 10}	95,624	104,049	23,610	23,009	26,591	24,394	25,312	26,325	28,018	23,164	23,802	26,354	24,270	24,791	27,152	27,836		
24	Members of OPEC	12,277	11,352	2,938	2,437	3,835	2,902	2,635	2,510	3,305	2,883	2,527	3,808	2,892	2,583	2,594	3,283		
25	China	8,732	9,247	2,066	2,301	2,446	2,201	2,464	2,525	2,057	2,025	2,363	2,432	2,190	2,417	2,604	2,036		
26	Hong Kong	9,844	11,418	2,658	2,373	2,483	2,360	3,089	3,004	2,965	2,611	2,452	2,459	2,348	3,029	3,097	2,944		
27	Korea, Republic of	14,073	16,986	3,537	3,581	3,665	3,822	3,775	4,502	4,887	3,476	3,714	3,621	3,792	3,699	4,651	4,844		
28	Singapore	10,827	12,175	2,574	2,791	2,906	2,855	2,891	3,185	3,244	2,511	2,872	2,890	2,851	2,817	3,266	3,241		
29	Taiwan	15,336	16,079	4,095	3,558	4,158	4,063	3,832	3,925	4,259	4,025	3,696	4,110	4,037	3,758	4,058	4,226		
30	Africa ^{8 10}	8,982	8,939	2,254	2,116	2,323	2,184	2,132	2,117	2,506	2,239	2,214	2,281	2,158	2,105	2,212	2,464		
31	Members of OPEC	1,940	1,817	476	417	545	560	365	448	444	476	438	533	549	363	469	436		
32	International organizations and unallocated	224	90			224	2			88			224	2			88		
	Memoranda:																		
33	Industrial countries ⁸	270,662	295,464	68,876	63,543	69,942	70,411	74,474	71,381	79,198	67,634	65,631	69,353	70,145	72,966	73,484	78,869		
34	Members of OPEC ⁸	18,692	17,136	4,563	3,940	5,417	4,455	4,023	3,854	4,804	4,487	4,089	5,368	4,430	3,950	3,987	4,769		
35	Other countries ⁸	167,288	190,039	42,398	40,610	45,188	43,509	46,535	48,644	51,351	41,666	42,016	44,734	43,271	45,594	50,161	51,013		

See footnotes on page 98.

Table 2.—U.S. Merchandise Trade—Continued

[Millions of dollars]

Line		1993	1994 ^P	Not seasonally adjusted								Seasonally adjusted							
				1993				1994				1993				1994			
				II	III	IV	I ^r	II ^r	III ^r	IV ^P	II	III	IV	I ^r	II ^r	III ^r	IV ^P		
B	Merchandise trade, by area and country, adjusted to balance of payments basis, excluding military ^S —Continued:																		
	IMPORTS																		
36	Total, all countries (A–16)	589,441	669,093	146,411	150,278	156,622	150,143	163,310	173,898	181,742	147,514	148,224	152,848	154,900	164,231	172,247	177,715		
37	Western Europe	120,947	132,877	29,966	30,310	33,323	31,074	33,443	32,842	35,518	30,193	29,908	32,526	32,033	33,624	32,520	34,700		
38	European Union	102,238	112,313	25,428	25,283	28,247	26,153	28,482	27,767	29,911	25,621	24,943	27,568	26,968	28,635	27,492	29,218		
39	Belgium and Luxembourg	7,056	8,453	2,400	1,307	1,508	2,806	2,382	1,561	1,704	2,411	1,288	1,469	2,858	2,390	1,542	1,663		
40	France	15,215	16,681	3,811	3,599	4,344	3,641	4,225	4,066	4,749	3,843	3,548	4,233	3,763	4,251	4,028	4,639		
41	Germany ⁹	28,494	31,684	7,088	6,952	7,770	7,066	8,008	7,834	8,776	7,144	6,850	7,568	7,302	8,054	7,758	8,570		
42	Italy	13,196	14,693	3,135	3,326	3,787	3,258	3,603	3,795	4,037	3,162	3,282	3,693	3,367	3,624	3,759	3,943		
43	Netherlands	8,481	6,011	1,381	2,717	2,837	1,577	1,565	1,435	1,434	1,391	2,696	2,801	1,625	1,571	1,418	1,397		
44	United Kingdom	21,493	24,863	5,586	5,241	5,795	5,510	6,141	6,468	6,744	5,628	5,169	5,653	5,685	6,174	6,406	6,598		
45	Other	8,303	9,928	2,027	2,141	2,206	2,295	2,558	2,608	2,467	2,042	2,110	2,151	2,368	2,571	2,581	2,408		
46	Western Europe, excluding EC	18,709	20,564	4,538	5,027	5,076	4,921	4,961	5,075	5,607	4,572	4,965	4,958	5,065	4,989	5,028	5,482		
47	Canada ³	113,310	131,647	29,790	26,852	29,542	29,298	33,346	32,227	36,776	29,995	26,460	28,803	30,224	33,533	31,924	35,966		
48	Japan	107,228	119,136	25,610	27,190	29,118	27,942	28,391	30,629	32,174	25,816	26,795	28,361	28,864	28,544	30,320	31,408		
49	Australia, New Zealand, and South Africa ¹⁰																		
50	Australia	3,297	3,198	765	897	836	725	778	860	835	770	884	815	749	782	852	815		
51	Eastern Europe	3,524	5,829	880	943	1,109	1,091	1,407	1,441	1,890	889	933	1,085	1,131	1,419	1,430	1,849		
52	Latin America and Other Western Hemisphere	75,173	88,550	19,087	18,730	19,800	20,161	21,615	22,910	23,864	19,218	18,484	19,362	20,762	21,727	22,692	23,369		
53	Brazil	7,479	8,710	1,856	2,123	1,957	2,021	2,145	2,392	2,152	1,872	2,095	1,910	2,086	2,156	2,367	2,101		
54	Mexico	40,428	50,046	10,283	9,823	10,938	11,473	12,191	12,472	13,910	10,359	9,689	10,679	11,830	12,257	12,352	13,607		
55	Venezuela	8,417	8,376	2,193	2,133	2,081	1,759	2,101	2,286	2,230	2,201	2,114	2,062	1,792	2,109	2,267	2,208		
56	Other	18,849	21,418	4,755	4,651	4,824	4,908	5,178	5,760	5,572	4,786	4,586	4,711	5,054	5,205	5,706	5,453		
57	Other countries in Asia and Africa ^{S 10}	165,962	187,856	40,313	45,356	42,894	39,852	44,330	52,989	50,685	40,633	44,760	41,896	41,137	44,602	52,509	49,608		
58	Asia ^{S 10}	150,280	173,487	35,966	41,244	39,503	36,870	40,638	48,557	47,122	36,270	40,687	38,551	38,093	40,894	48,412	46,088		
59	Members of OPEC	15,734	16,179	4,065	3,764	3,809	3,209	3,839	4,689	4,442	4,083	3,723	3,750	3,287	3,859	4,650	4,383		
60	China	31,540	38,786	7,357	9,543	8,507	7,444	8,934	11,939	10,469	7,434	9,423	8,305	7,706	9,001	11,839	10,240		
61	Hong Kong	9,553	9,697	2,211	2,684	2,627	2,070	2,132	2,785	2,710	2,232	2,648	2,563	2,142	2,146	2,760	2,649		
62	Korea, Republic of	17,089	19,639	4,309	4,565	4,295	4,183	4,738	5,351	5,367	4,343	4,498	4,183	4,324	4,769	5,302	5,244		
63	Singapore	12,798	15,362	3,066	3,484	3,458	3,341	3,733	4,044	4,244	3,094	3,437	3,372	3,454	3,756	4,006	4,146		
64	Taiwan	25,096	26,710	6,150	6,697	6,508	6,105	6,444	7,062	7,099	6,200	6,600	6,339	6,308	6,480	6,992	6,930		
65	Africa ^{S 10}	15,445	14,094	4,311	4,005	3,343	2,921	3,637	4,066	3,470	4,327	3,967	3,927	2,984	3,652	4,031	3,427		
66	Members of OPEC	8,492	7,089	2,520	2,217	1,647	1,340	1,966	2,084	1,699	2,527	2,200	1,632	1,362	1,973	2,067	1,687		
67	International organizations and unallocated																		
	Memoranda:																		
68	Industrial countries ^S	347,841	390,314	87,000	86,022	93,505	89,847	96,909	97,383	106,175	87,648	84,808	91,172	92,704	97,438	96,431	103,741		
69	Members of OPEC ^S	32,643	31,644	8,778	8,114	7,537	6,308	7,906	9,059	8,371	8,811	8,037	7,444	6,441	7,941	8,984	8,278		
70	Other countries ^S	208,957	247,135	50,633	56,142	55,880	53,988	58,495	67,456	67,196	51,055	55,379	54,232	55,755	58,852	66,832	65,696		
	BALANCE (EXCESS OF EXPORTS +)																		
71	Total, all countries	-132,575	-166,364	-30,574	-42,185	-35,851	-31,766	-38,278	-50,019	-46,301	-33,727	-36,488	-33,169	-37,052	-41,721	-44,615	-42,976		
72	Western Europe	-9,690	-17,560	-2,506	-5,404	-4,007	-2,241	-4,608	-6,309	-4,402	-3,254	-4,199	-3,415	-3,269	-5,398	-5,210	-3,683		
73	European Union	-7,246	-11,915	-2,706	-4,352	-3,013	-943	-3,592	-4,708	-2,672	-3,327	-3,335	-2,514	-1,821	-4,268	-3,762	-2,064		
74	Belgium and Luxembourg	2,296	2,638	-295	844	1,257	-409	231	1,253	1,563	-348	927	1,279	-467	164	1,345	1,596		
75	France	-1,988	-3,068	-470	-764	-1,224	-306	-974	-819	-969	-568	-628	-1,129	-433	-1,073	-699	-863		
76	Germany ⁹	-10,055	-12,936	-2,493	-2,917	-3,091	-2,437	-3,444	-3,487	-3,568	-2,639	-2,687	-2,919	-2,684	-3,588	-3,290	-3,374		
77	Italy	-6,891	-7,681	-1,375	-2,130	-2,141	-1,691	-1,589	-2,278	-2,123	-1,431	-2,041	-2,060	-1,802	-1,651	-2,193	-2,035		
78	Netherlands	4,158	7,315	1,723	38	414	1,872	1,534	1,487	2,422	1,666	161	416	1,807	1,473	1,603	2,432		
79	United Kingdom	4,165	1,040	-82	620	1,606	1,684	520	-811	-353	-245	865	1,704	1,505	336	-590	-211		
80	Other	1,069	777	286	-43	166	344	130	-53	356	238	68	195	253	71	62	391		
81	Western Europe, excluding EC	-2,444	-5,645	200	-1,052	-994	-1,298	-1,016	-1,601	-1,730	73	-864	-901	-1,448	-1,130	-1,448	-1,619		
82	Canada ³	-12,116	-16,527	-2,956	-2,722	-3,620	-3,190	-3,415	-4,335	-5,587	-3,672	-1,594	-3,052	-4,179	-4,233	-3,269	-4,846		
83	Japan	-60,544	-67,317	-13,833	-15,659	-17,437	-15,338	-15,826	-17,270	-18,883	-14,192	-14,803	-16,873	-16,385	-16,175	-16,492	-18,265		
84	Australia, New Zealand, and South Africa ¹⁰																		
85	Australia	4,812	6,356	1,270	1,141	1,269	1,355	1,518	1,820	1,663	1,221	1,214	1,276	1,324	1,460	1,897	1,675		
86	Eastern Europe	2,658	-486	898	401	799	64	-18	19	-551	891	474	772	8	-50	85	-529		
87	Latin America and Other Western Hemisphere	3,025	3,554	875	177	801	782	86											

Table 2.—U.S. Merchandise Trade—Continued
[Millions of dollars]

Line		1993	1994 ^P	Not seasonally adjusted								Seasonally adjusted							
				1993 ^r				1994				1993				1994			
				IV ^{P,r}	IV ^P	IV	I ^r	II ^r	III ^r	IV ^P	II	III	IV	I ^r	II ^r	III ^r	IV ^P		
C	Merchandise trade, by principal end-use category, adjusted to balance of payments basis, excluding military:																		
1	Merchandise exports, balance of payments basis, excluding military (A-8)	456,866	502,729	115,837	108,093	120,771	118,377	125,032	123,879	135,441	113,787	111,736	119,679	117,848	122,510	127,632	134,739		
2	Agricultural products	43,704	47,147	10,509	9,540	12,095	11,458	10,640	10,611	14,438	10,905	10,530	11,339	10,926	10,945	11,680	13,596		
3	Nonagricultural products	413,162	455,582	105,328	98,553	108,676	106,919	114,392	113,268	121,003	102,882	101,206	108,340	106,922	111,565	115,952	121,143		
4	Foods, feeds, and beverages	40,692	42,084	9,644	9,343	11,053	10,273	9,095	9,987	12,729	10,090	9,752	10,613	9,924	9,455	10,437	12,268		
5	Agricultural	36,590	37,891	8,746	8,074	10,191	9,211	8,281	8,679	11,720	9,114	8,761	9,538	8,940	8,554	9,372	11,025		
6	Grains and preparations	14,401	13,618	3,570	3,104	3,814	3,484	2,898	3,073	4,163	3,622	3,204	3,772	3,385	2,942	3,179	4,112		
7	Wheat	4,904	4,280	1,239	1,112	1,198	1,093	895	1,034	1,258	1,239	1,112	1,198	1,093	895	1,034	1,258		
8	Corn	4,688	4,372	1,152	1,003	1,376	1,078	848	962	1,484	1,152	1,003	1,376	1,078	848	962	1,484		
9	Soybeans	4,594	4,368	778	695	1,484	1,400	639	663	1,666	1,135	1,130	1,125	1,052	925	1,113	1,278		
10	Meat products and poultry	4,561	5,442	1,180	1,156	1,236	1,171	1,306	1,370	1,595	1,172	1,150	1,197	1,237	1,297	1,353	1,555		
11	Vegetables, fruits, nuts, and preparations	6,698	7,397	1,737	1,561	1,878	1,650	1,832	1,784	2,131	1,686	1,727	1,708	1,722	1,767	1,958	1,950		
12	Other agricultural foods, feeds, and beverages	6,336	7,066	1,481	1,558	1,779	1,506	1,606	1,789	2,165	1,499	1,550	1,736	1,544	1,623	1,769	2,130		
13	Nonagricultural (fish, distilled beverages, etc.)	4,102	4,193	898	1,269	862	1,062	814	1,308	1,009	976	991	1,075	984	901	1,065	1,243		
14	Fish and shellfish	3,210	3,248	671	1,035	637	847	582	1,088	731	749	757	851	770	669	845	964		
15	Industrial supplies and materials	111,871	121,466	28,279	27,267	28,926	28,457	29,963	30,803	32,243	27,682	27,693	29,139	28,303	29,322	31,308	32,533		
16	Agricultural	6,868	9,015	1,693	1,414	1,850	2,181	2,292	1,885	2,657	1,734	1,701	1,739	1,931	2,335	2,246	2,503		
17	Raw cotton	1,576	2,667	395	278	417	582	796	531	758	399	411	408	424	809	744	690		
18	Tobacco, unmanufactured	1,294	1,304	393	235	314	350	406	184	364	335	355	280	328	344	290	342		
19	Hides and skins, including furskins	1,297	1,536	332	326	309	366	372	405	393	329	331	329	343	368	407	418		
20	Other agricultural industrial supplies	2,701	3,508	573	575	810	883	718	765	1,142	671	604	722	836	814	805	1,053		
21	Nonagricultural	105,003	112,451	26,586	25,853	27,076	26,276	27,671	28,918	29,586	25,948	25,992	27,400	26,372	26,987	29,062	30,030		
22	Energy products	12,713	12,023	3,393	2,930	3,128	2,671	2,816	3,201	3,335	3,396	2,882	3,096	2,728	2,828	3,159	3,308		
23	Fuels and lubricants ¹¹	12,571	11,953	3,341	2,901	3,106	2,655	2,801	3,181	3,316	3,345	2,853	3,073	2,712	2,813	3,139	3,289		
24	Coal and related fuels	3,644	3,445	971	893	853	765	850	931	899	974	845	821	821	862	890	872		
25	Petroleum and products	7,502	6,961	1,988	1,752	1,945	1,590	1,617	1,748	2,006	1,988	1,752	1,945	1,590	1,617	1,748	2,006		
26	Paper and paper base stocks	8,483	10,094	2,136	2,049	2,089	2,170	2,412	2,667	2,845	2,087	2,074	2,146	2,149	2,352	2,661	2,932		
27	Textile supplies and related materials	6,999	8,170	1,804	1,701	1,774	1,835	2,044	2,079	2,212	1,744	1,747	1,784	1,837	1,977	2,131	2,225		
28	Chemicals, excluding medicinals	30,082	35,154	7,664	7,361	7,546	7,917	8,764	9,042	9,431	7,434	7,432	7,714	7,868	8,502	9,127	9,657		
29	Building materials, except metals	8,751	8,825	2,423	2,101	2,078	2,057	2,216	2,276	2,276	2,298	2,149	2,110	2,092	2,099	2,323	2,311		
30	Other nonmetals	10,752	11,881	2,748	2,720	2,660	2,800	2,957	3,066	3,058	2,679	2,705	2,728	2,801	2,887	3,057	3,136		
31	Metals and nonmetallic products	27,223	26,304	6,418	6,991	7,801	6,826	6,462	6,587	6,429	6,310	7,003	7,822	6,897	6,342	6,604	6,461		
32	Steelmaking materials	1,774	1,853	465	491	479	383	453	503	514	412	486	480	446	400	497	510		
33	Iron and steel products	3,669	3,924	944	900	876	904	972	989	1,059	944	899	876	903	972	989	1,060		
34	Nonferrous metals	14,648	12,228	3,213	3,788	4,591	3,623	2,931	2,975	2,699	3,213	3,788	4,591	3,623	2,932	2,975	2,698		
35	Nonmonetary gold	9,147	5,765	1,887	2,382	3,284	2,338	1,433	1,156	838	1,887	2,382	3,284	2,338	1,433	1,156	838		
36	Other precious metals	894	1,031	226	215	223	224	226	268	313	226	215	223	224	226	268	313		
37	Other nonferrous metals	4,607	5,432	1,100	1,191	1,084	1,061	1,272	1,551	1,548	1,100	1,191	1,084	1,061	1,273	1,551	1,547		
38	Other metals and nonmetallic products	7,132	8,299	1,796	1,812	1,855	1,916	2,106	2,120	2,157	1,741	1,830	1,875	1,925	2,038	2,143	2,193		
39	Capital goods, except automotive	182,218	205,550	46,112	43,144	48,597	48,731	51,407	51,025	54,387	45,805	44,073	48,098	48,657	51,057	51,835	54,001		
40	Machinery, except consumer-type	148,034	172,255	36,624	36,168	39,545	39,838	42,432	43,527	46,458	36,306	37,051	39,146	39,717	42,075	44,286	46,177		
41	Electric generating machinery, electric apparatus, and parts ...	16,959	19,597	4,239	4,132	4,381	4,476	4,964	5,038	5,119	4,188	4,206	4,361	4,470	4,906	5,121	5,100		
42	Nonelectric, including parts and attachments	131,075	152,658	32,385	32,036	35,164	35,362	37,468	38,489	41,339	32,118	32,845	34,785	35,247	37,169	39,165	41,077		
43	Oil drilling, mining, and construction machinery	9,465	10,174	2,407	2,304	2,377	2,270	2,578	2,732	2,594	2,368	2,327	2,386	2,277	2,537	2,752	2,608		
44	Industrial engines, pumps, and compressors	7,506	9,133	1,879	1,776	2,018	2,077	2,285	2,309	2,462	1,879	1,776	2,018	2,077	2,285	2,309	2,462		
45	Machine tools and metalworking machinery	3,613	4,391	892	919	974	983	1,171	1,101	1,136	892	919	974	983	1,171	1,101	1,136		
46	Measuring, testing, and control instruments	7,037	7,930	1,805	1,700	1,835	1,852	1,984	1,961	2,133	1,756	1,761	1,807	1,864	1,927	2,032	2,107		
47	Other industrial, agricultural, and service industry machinery	28,551	32,258	7,300	7,079	7,359	7,295	8,075	8,274	8,614	7,045	7,220	7,442	7,337	7,798	8,431	8,692		
48	Computers, peripherals, and parts	29,317	33,324	6,958	6,957	8,076	7,974	7,852	7,996	9,502	7,082	7,374	7,643	7,846	8,006	8,468	9,004		
49	Semiconductors	19,122	25,167	4,625	4,938	5,102	5,864	6,022	6,389	6,892	4,598	4,929	5,159	5,845	5,989	6,304	7,029		
50	Telecommunications equipment	13,514	16,293	3,258	3,251	4,103	3,596	4,049	4,294	4,354	3,279	3,299	4,048	4,048	4,048	4,199	4,398		
51	Other office and business machines	2,381	2,466	585	570	630	583	613	613	657	577	590	614	586	604	636	640		
52	Scientific, hospital, and medical equipment and parts	10,569	11,522	2,676	2,542	2,690	2,868	2,839	2,820	2,995	2,642	2,650	2,694	2,784	2,804	2,933	3,001		
53	Civilian aircraft, engines, parts	32,678	31,598	9,090	6,623	8,718	8,515	8,511	7,090	7,482	9,101	6,669	8,618	8,562	8,518	7,141	7,377		
54	Civilian aircraft, complete, all types																		

Table 2.—U.S. Merchandise Trade—Continued
[Millions of dollars]

Line		1993	1994 ^P	Not seasonally adjusted								Seasonally adjusted							
				1993 ^r				1994				1993				1994			
				IV ^{P,r}	IV ^P	IV	I ^r	II ^r	III ^r	IV ^P	II	III	IV	I ^r	II ^r	III ^r	IV ^P		
C	Merchandise trade, by principal end-use category, adjusted to balance of payments basis, excluding military—Continued:																		
74	Merchandise imports, balance of payments basis, excluding military (A-16)	589,441	669,093	146,411	150,278	156,622	150,143	163,310	173,898	181,742	147,514	148,224	152,848	154,900	164,231	172,247	177,715		
75	Petroleum and products ⁷	51,475	51,194	14,260	12,632	11,988	10,250	12,798	15,275	12,871	14,305	12,526	11,894	10,406	12,849	15,155	12,784		
76	Nonpetroleum products	537,966	617,899	132,151	137,646	144,634	139,893	150,512	158,623	168,871	133,209	135,698	140,954	144,494	151,382	157,092	164,931		
77	Foods, feeds, and beverages	27,866	30,958	6,896	6,803	7,439	7,289	7,664	7,798	8,207	6,855	6,997	7,218	7,343	7,612	8,034	7,969		
78	Agricultural	19,828	22,002	4,959	4,692	5,125	5,380	5,538	5,392	5,692	4,888	4,945	5,061	5,248	5,459	5,668	5,627		
79	Coffee, cocoa, and sugar	2,431	3,258	586	574	570	643	601	1,066	948	586	574	570	643	601	1,066	948		
80	Green coffee	1,382	2,271	308	306	355	379	362	746	784	308	306	355	379	362	746	784		
81	Meat products and poultry	4,257	3,917	1,067	1,059	1,045	1,022	1,061	941	893	1,067	1,059	1,045	1,022	1,061	941	893		
82	Vegetables, fruits, nuts, and preparations	5,559	5,942	1,457	1,144	1,270	1,788	1,591	1,155	1,408	1,378	1,433	1,363	1,460	1,508	1,460	1,514		
83	Wine and related products	1,944	2,132	510	499	567	411	552	557	612	493	493	500	512	531	553	536		
84	Other agricultural foods, feeds, and beverages	5,638	6,755	1,339	1,417	1,672	1,517	1,733	1,674	1,831	1,364	1,387	1,583	1,612	1,757	1,650	1,736		
85	Nonagricultural (fish, distilled beverages, etc.)	8,038	8,956	1,937	2,111	2,314	1,909	2,126	2,406	2,515	1,967	2,052	2,157	2,095	2,153	2,362	2,342		
86	Fish and shellfish	5,900	6,646	1,421	1,502	1,690	1,439	1,586	1,795	1,826	1,416	1,455	1,635	1,540	1,584	1,764	1,758		
87	Whiskey and other alcoholic beverages	1,737	1,828	408	501	526	357	415	490	566	443	490	423	442	445	480	461		
88	Industrial supplies and materials	152,435	164,815	39,551	38,597	38,344	37,729	40,936	43,504	42,646	39,258	38,573	38,394	37,914	40,620	43,548	42,733		
89	Agricultural	4,557	4,725	1,225	1,063	1,052	1,214	1,148	1,058	1,305	1,220	1,075	1,056	1,201	1,142	1,072	1,310		
90	Nonagricultural products	147,878	160,090	38,326	37,534	37,292	36,515	39,788	42,446	41,341	38,038	37,498	37,338	36,713	39,478	42,476	41,423		
91	Energy products	57,390	58,057	15,639	14,162	13,576	12,076	14,506	16,880	14,595	15,747	14,182	13,391	12,124	14,634	16,876	14,423		
92	Fuels and lubricants ^{7,11}	56,645	57,012	15,495	13,944	13,353	11,797	14,258	16,618	14,339	15,602	13,964	13,168	11,844	14,386	16,614	14,168		
93	Paper and paper base stocks	8,319	8,924	2,151	2,049	1,996	1,954	2,076	2,321	2,573	2,147	2,031	1,988	1,989	2,071	2,296	2,568		
94	Textile supplies and related materials	7,550	8,186	1,993	1,929	1,852	1,892	2,070	2,114	2,110	1,936	1,911	1,881	1,938	2,001	2,093	2,154		
95	Chemicals, excluding medicinals	18,081	21,358	4,632	4,399	4,505	5,158	5,254	5,294	5,652	4,528	4,487	4,618	4,967	5,147	5,461	5,783		
96	Building materials, except metals	10,556	12,602	2,603	2,585	2,925	2,933	3,267	3,281	3,121	2,463	2,508	3,089	2,985	3,103	3,216	3,298		
97	Other nonmetals	10,330	11,048	2,569	2,699	2,683	2,543	2,749	2,863	2,893	2,523	2,674	2,687	2,605	2,700	2,849	2,894		
98	Metals and nonmetallic products	35,652	39,915	8,739	9,711	9,755	9,959	9,866	9,693	10,397	8,694	9,705	9,684	10,105	9,822	9,685	10,303		
99	Steelmaking materials	1,840	2,270	456	472	538	502	586	616	566	423	446	511	614	539	584	533		
100	Iron and steel products	11,751	16,091	2,819	3,048	3,380	3,618	3,912	4,168	4,393	2,832	3,063	3,333	3,645	3,950	4,181	4,315		
101	Nonferrous metals	18,128	16,719	4,719	5,217	4,814	4,749	4,136	3,625	4,209	4,471	5,214	4,813	4,746	4,136	3,622	4,215		
102	Nonmonetary gold	8,821	4,737	2,101	2,890	2,496	2,197	1,169	706	665	2,101	2,890	2,496	2,198	1,168	706	665		
103	Other precious metals	1,823	2,028	452	460	489	465	527	481	555	452	460	489	465	527	481	555		
104	Bauxite and aluminum	3,588	5,262	890	939	922	1,140	1,244	1,279	1,599	891	937	921	1,138	1,245	1,278	1,601		
105	Other nonferrous metals	3,896	4,692	1,028	928	907	947	1,196	1,159	1,390	1,027	927	907	945	1,196	1,157	1,394		
106	Other metallic and nonmetallic products	3,933	4,835	993	974	1,023	1,090	1,232	1,284	1,229	968	982	1,027	1,100	1,197	1,298	1,240		
107	Capital goods, except automotive	152,366	184,538	37,662	38,469	41,510	41,489	44,842	47,149	51,058	37,619	38,230	40,797	42,584	44,706	46,933	50,315		
108	Machinery, except consumer-type	140,022	171,523	34,442	35,671	38,125	38,354	41,402	44,100	47,667	34,399	35,432	37,412	39,449	41,266	43,884	46,924		
109	Electric generating machinery, electric apparatus and parts	17,420	20,204	4,297	4,427	4,642	4,460	4,927	5,201	5,436	4,236	4,419	4,583	4,595	4,852	5,200	5,377		
110	Nonelectric, including parts and attachments	122,602	151,499	30,145	31,244	33,483	33,894	36,475	38,899	42,231	30,163	31,013	32,829	34,854	36,414	38,684	41,547		
111	Oil drilling, mining, and construction machinery	4,313	5,329	1,079	979	1,385	1,248	1,426	1,290	1,365	1,019	991	1,436	1,250	1,334	1,303	1,442		
112	Industrial engines, pumps, and compressors	4,094	5,753	1,043	1,022	1,050	1,310	1,471	1,485	1,487	1,021	1,035	1,082	1,269	1,434	1,504	1,546		
113	Machinery tools and metalworking machinery	4,263	5,180	1,073	1,009	1,138	1,220	1,284	1,255	1,421	1,074	1,007	1,137	1,218	1,281	1,250	1,431		
114	Measuring, testing, and control instruments	3,777	4,637	940	926	1,025	1,068	1,138	1,166	1,265	953	943	983	1,075	1,148	1,188	1,226		
115	Other industrial, agricultural, and service industry machinery	26,149	31,889	6,729	6,543	6,837	7,449	7,970	8,071	8,399	6,558	6,666	6,840	7,495	7,724	8,191	8,479		
116	Computers, peripherals, and parts	38,027	46,214	9,088	9,896	10,542	9,934	10,867	11,972	13,441	9,279	9,718	10,066	10,468	11,113	11,812	12,821		
117	Semiconductors	19,482	26,080	4,757	4,987	5,356	5,701	6,031	6,775	7,573	4,668	4,915	5,440	5,753	5,915	6,742	7,670		
118	Telecommunications equipment	11,276	14,216	2,734	2,953	3,089	3,158	3,332	3,749	3,977	2,829	2,873	2,891	3,414	3,448	3,627	3,727		
119	Other office and business machines	5,415	6,236	1,283	1,446	1,486	1,465	1,522	1,595	1,654	1,320	1,424	1,439	1,502	1,562	1,564	1,608	</	

Table 3.—Private Service Transactions

[Millions of dollars]

Line		1993	1994 ^P	Not seasonally adjusted								Seasonally adjusted							
				1993				1994				1993				1994			
				I	II	III	IV	I ^r	II ^r	III ^r	IV ^P	I	II	III	IV	I ^r	II ^r	III ^r	IV ^P
1	Exports of private services	172,590	183,659	41,098	41,913	46,448	43,133	42,983	43,760	50,048	46,868	42,311	42,966	43,301	44,012	44,224	44,962	46,658	47,817
2	Travel (table 1, line 5)	57,621	60,001	12,673	14,348	17,070	13,531	12,928	14,568	18,018	14,487	14,089	14,357	14,446	14,729	14,427	14,615	15,203	15,757
3	Passenger fares (table 1, line 6)	16,550	17,651	3,794	4,009	4,955	3,791	3,904	4,100	5,359	4,288	4,080	4,171	4,165	4,135	4,195	4,284	4,499	4,674
4	Other transportation (table 1, line 7)	23,151	24,733	5,631	5,747	5,756	6,017	5,720	5,994	6,380	6,640	5,771	5,781	5,692	5,907	5,870	6,047	6,251	6,565
5	Freight	7,559	8,298	1,858	1,896	1,844	1,960	1,911	2,066	2,114	2,207	1,858	1,896	1,844	1,960	1,911	2,066	2,114	2,207
6	Port services	14,467	15,249	3,489	3,572	3,633	3,774	3,511	3,630	3,969	4,139	3,629	3,606	3,569	3,663	3,662	3,684	3,841	4,063
7	Other	1,125	1,185	284	279	279	283	297	298	297	293	284	279	279	283	297	298	297	293
8	Royalties and license fees (table 1, line 8)	20,398	22,823	4,674	5,136	4,959	5,629	5,011	5,423	5,737	6,651	4,976	5,173	5,151	5,098	5,340	5,465	5,981	6,037
9	Affiliated,	15,974	17,995	3,611	4,045	3,839	4,478	3,830	4,220	4,519	5,426	3,914	4,082	4,030	3,948	4,160	4,261	4,763	4,811
10	U.S. parents' receipts	15,158	16,902	3,463	3,842	3,668	4,185	3,617	3,970	4,203	5,112	3,755	3,859	3,828	3,717	3,938	3,994	4,398	4,574
11	U.S. affiliates' receipts	816	1,093	148	203	171	293	213	250	316	314	159	223	202	231	222	267	365	237
12	Unaffiliated	4,424	4,827	1,062	1,091	1,121	1,150	1,180	1,203	1,218	1,226	1,062	1,091	1,121	1,150	1,180	1,203	1,218	1,226
13	Industrial processes ¹	2,755	2,921	667	683	697	709	721	729	734	737	667	683	697	709	721	729	734	737
14	Other ²	1,669	1,906	395	409	424	441	460	474	484	489	395	409	424	441	460	474	484	489
15	Other private services (table 1, line 9)	54,870	58,453	14,326	12,672	13,708	14,164	15,420	13,675	14,554	14,803	13,395	13,484	13,848	14,143	14,392	14,551	14,724	14,785
16	Affiliated services,	15,981	16,948	3,885	4,012	3,827	4,259	3,921	4,176	4,173	4,678	4,028	4,023	3,948	3,983	4,062	4,194	4,324	4,367
17	U.S. parents' receipts	10,497	10,540	2,506	2,566	2,585	2,841	2,495	2,597	2,529	2,919	2,599	2,566	2,630	2,703	2,586	2,603	2,574	2,776
18	U.S. affiliates' receipts	5,484	6,408	1,379	1,446	1,242	1,418	1,426	1,579	1,644	1,759	1,429	1,457	1,318	1,280	1,476	1,591	1,750	1,591
19	Unaffiliated services	38,888	41,505	10,441	8,660	9,881	9,905	11,499	9,499	10,382	10,125	9,367	9,461	9,900	10,160	10,330	10,357	10,400	10,418
20	Education	6,830	7,511	2,737	879	1,764	1,451	2,979	942	1,940	1,651	1,662	1,679	1,782	1,706	1,809	1,799	1,959	1,944
21	Financial services	6,518	6,884	1,488	1,530	1,659	1,842	1,801	1,779	1,622	1,682	1,488	1,530	1,659	1,842	1,801	1,779	1,622	1,682
22	Insurance, net	1,519	1,584	353	376	392	398	397	396	396	395	353	376	392	398	397	396	396	395
23	Premiums received	5,719	5,925	1,422	1,423	1,431	1,444	1,464	1,479	1,489	1,493	1,422	1,423	1,431	1,444	1,464	1,479	1,489	1,493
24	Losses paid	4,200	4,340	1,069	1,047	1,039	1,046	1,067	1,083	1,093	1,098	1,069	1,047	1,039	1,046	1,067	1,083	1,093	1,098
25	Telecommunications	3,224	3,386	777	799	817	830	839	846	850	852	777	799	817	830	839	846	850	852
26	Business, professional, and technical services	13,289	14,265	3,219	3,253	3,354	3,463	3,498	3,603	3,604	3,560	3,219	3,253	3,354	3,463	3,498	3,603	3,604	3,560
27	Other unaffiliated services ³	7,509	7,876	1,868	1,824	1,896	1,961	1,986	1,934	1,971	1,985	1,868	1,824	1,896	1,921	1,986	1,934	1,971	1,985
28	Imports of private services	113,441	122,052	24,603	28,629	31,160	29,049	28,055	30,355	33,288	30,354	27,008	27,891	28,536	30,006	30,717	29,542	30,507	31,287
29	Travel (table 1, line 19)	40,564	43,059	8,022	10,653	12,185	9,704	9,098	11,006	12,754	10,201	9,903	9,801	10,043	10,818	11,180	10,082	10,496	11,301
30	Passenger fares (table 1, line 20)	11,416	12,558	2,484	2,902	3,313	2,717	2,682	3,210	3,570	3,096	2,790	2,778	2,903	2,943	3,024	3,071	3,129	3,335
31	Other transportation (table 1, line 21)	24,502	25,718	5,847	6,106	6,283	6,266	5,997	6,294	6,841	6,586	5,940	6,165	6,127	6,270	6,093	6,353	6,682	6,591
32	Freight	12,700	13,663	3,005	3,180	3,195	3,320	3,144	3,310	3,612	3,597	3,005	3,180	3,195	3,320	3,144	3,310	3,612	3,597
33	Port services	10,817	11,035	2,599	2,679	2,842	2,696	2,593	2,734	2,977	2,731	2,693	2,739	2,681	2,704	2,690	2,793	2,812	2,740
34	Other	985	1,021	243	246	246	250	260	251	252	258	242	245	252	246	259	250	257	254
35	Royalties and license fees (table 1, line 22)	4,840	5,926	1,068	1,161	1,249	1,362	1,559	1,340	1,454	1,572	1,105	1,174	1,228	1,333	1,609	1,351	1,431	1,536
36	Affiliated,	3,479	4,010	750	828	902	1,000	917	915	1,005	1,173	788	841	880	970	966	926	981	1,137
37	U.S. parents' payments	232	276	52	49	54	77	60	59	73	84	52	49	54	77	60	59	73	84
38	U.S. affiliates' payments	3,247	3,734	698	779	848	923	857	856	932	1,089	736	792	826	893	906	867	908	1,053
39	Unaffiliated	1,360	1,916	317	333	348	363	643	425	450	399	317	333	348	363	643	425	450	399
40	Industrial processes ¹	1,036	1,191	239	253	266	278	289	296	302	304	239	253	266	278	289	296	302	304
41	Other ²	325	725	78	80	82	85	354	128	148	94	78	80	82	85	354	128	148	94
42	Other private services (table 1, line 23)	32,119	34,791	7,183	7,807	8,130	8,999	8,717	8,505	8,669	8,900	7,270	7,973	8,234	8,642	8,811	8,685	8,770	8,525
43	Affiliated services,	10,594	11,515	2,330	2,571	2,657	3,036	2,677	2,769	2,874	3,195	2,424	2,710	2,751	2,709	2,779	2,919	2,963	2,853
44	U.S. parents' payments	5,589	5,589	1,193	1,421	1,364	1,611	1,203	1,407	1,362	1,617	1,305	1,449	1,420	1,415	1,319	1,431	1,419	1,420
45	U.S. affiliates' payments	5,005	5,926	1,137	1,150	1,293	1,425	1,474	1,362	1,512	1,578	1,119	1,261	1,331	1,294	1,460	1,488	1,544	1,433
46	Unaffiliated services	21,525	23,277	4,853	5,236	5,473	5,963	6,041	5,737	5,795	5,705	4,847	5,263	5,483	5,933	6,033	5,767	5,807	5,671
47	Education	764	808	156	190	235	183	165	201	247	195	188	190	192	195	198	201	202	207
48	Financial services	5,606	6,819	1,080	1,298	1,461	1,768	1,994	1,610	1,694	1,521	1,080	1,298	1,461	1,768	1,994	1,610	1,694	1,521
49	Insurance, net	2,913	2,673	653	732	768	761	712	674	650	637	653	732	768	761	712	674	650	637
50	Premiums paid	11,555	11,826	2,899	2,881	2,880	2,895	2,928	2,952	2,969	2,977	2,899	2,881	2,880	2,895	2,928	2,952	2,969	2,977
51	Losses recovered	8,641	9,154	2,246	2,149	2,112	2,135	2,217	2,278	2,319	2,340	2,246	2,149	2,112	2,135	2,217	2,278	2,319	2,340
52	Telecommunications	6,538	6,865	1,571	1,622	1,660	1,686	1,699	1,714	1,725	1,727	1,571	1,622	1,660	1,686	1,699	1,714	1,725	1,727
53	Business, professional, and technical services	3,928	4,253	921	980	972	1,055	979	1,102	1,084	1,088	921	980	972	1,055	979	1,102	1,084	1,088
54	Other unaffiliated services ³	1,776	1,860	472	414	378	512	492	436	395	537	434	442	431	469	451	466	453	491
55	Memoranda:																		
56	Balance on merchandise trade (table 1, line 64)	-132,575	-166,364	-23,965	-30,574	-42,185	-35,851	-31,766	-38,278	-50,019	-46,301	-29,191	-33,727	-36,488	-33,169	-37,052	-41,721	-44,615	-42,976
57	Balance on private services (line 1 minus line 28)	59,149	61,606	16,495	13,284	15,288	14,084	14,928	13,404	16,760	16,514	15,303	15,075	14,765	14,006	13,508	15,421	16,151	16,530
58	Balance on goods and private services (lines 55 and 56)	-73,426	-104,758	-7,470	-17,290	-26,897	-21,767	-16,838	-24,874	-33,259	-29,787	-13,888	-18,652	-21,723	-19,163	-23,545	-26,301	-28,464	-26,446

See foot

Table 4.—Selected U.S. Government Transactions

[Millions of dollars]

Line		1993	1994 ^P	Not seasonally adjusted							
				1993				1994			
				I	II	III	IV	I	II	III ^r	IV ^P
A1	U.S. Government grants and transactions increasing Government assets, total	20,952	19,732	4,461	3,884	5,234	7,373	2,989	4,768	4,463	7,513
	By category										
2	Grants, net (table 1, line 30, with sign reversed)	14,620	14,532	3,186	2,730	3,114	5,591	2,371	3,590	2,839	5,731
3	Financing military purchases ¹	4,607	3,881	656	721	810	2,420	557	683	510	2,131
4a	Other grants	10,014	10,651	2,530	2,008	2,305	3,170	1,815	2,907	2,329	3,600
4b	Cash contributions received from coalition partners for Persian Gulf operations										
5	Credits and other long-term assets (table 1, line 40, with sign reversed)	6,024	5,156	943	750	1,556	2,775	747	988	1,208	2,214
6	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,132	1,417	223	269	247	393	222	349	396	451
7	Credits repayable in U.S. dollars	4,356	3,190	597	348	1,168	2,244	388	512	660	1,630
8	Credits repayable in other than U.S. dollars	17	-1	-8	3	8	13	1	-1	-1	(^r)
9	Other long-term assets	518	550	131	130	133	125	136	128	153	133
10	Foreign currency holdings and short-term assets, net (table 1, line 42 with sign reversed)	308	45	332	405	564	-992	-129	190	416	-432
11	Foreign currency holdings (excluding administrative cash holdings), net	-70	-28	-15	4	-18	-41	-32	-1	20	-14
	Receipts from:										
12	Sales of agricultural commodities	3	(^r)	(^r)	(^r)	3	(^r)	(^r)	(^r)	(^r)	(^r)
13	Interest	21	13	12	2	6	2	5	4	3	1
14	Repayments of principal	59	36	29	6	16	9	14	9	9	4
15	Reverse grants										
16	Other sources	21	13	1	3	17	1	2	3	5	3
	Less currencies disbursed for:										
17	Grants and credits in the recipient's currency	6	3	(^r)	1	5	(^r)	(^r)	3	(^r)	(^r)
18	Other grants and credits										
19	Other U.S. Government expenditures	169	86	55	6	55	52	53	14	-4	23
20	Assets acquired in performance of U.S. Government guarantee and insurance obligations, net	265	42	350	342	539	-965	-107	144	421	-415
21	Other assets held under Commodity Credit Corporation Charter Act, net	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)
22	Assets financing military sales contracts, net ²										
23	Other short-term assets (including changes in administrative cash holdings), net	113	30	-3	59	43	14	10	48	-25	-3
	By program										
24	Capital subscriptions and contributions to international financial institutions, excluding IMF	1,132	1,417	223	269	247	393	222	349	396	451
25	Under Agricultural Trade Development and Assistance Act and related programs	2,446	1,896	861	327	376	882	320	618	414	543
26	Under Foreign Assistance Act and related programs	12,985	12,225	2,173	2,330	3,430	5,052	2,088	2,290	2,594	5,252
27	Under Export-Import Bank Act	751	1,002	63	178	247	263	147	343	238	274
28	Under Commodity Credit Corporation Charter Act	1,472	1,663	349	354	556	213	-85	842	436	470
29	Under other grant and credit programs	1,596	974	678	233	213	473	182	149	238	406
30	Other foreign currency assets acquired (lines A13, A14, and A16)	101	61	41	10	39	11	21	16	16	8
31	Less foreign currencies used by U.S. Government other than for grants or credits (line A19)	169	86	55	6	55	52	53	14	-4	23
32	Other (including changes in administrative cash holdings), net	638	581	129	190	181	139	147	176	127	131
	By disposition³										
33	Estimated transactions involving no direct dollar outflow from the United States	14,946	13,460	2,966	2,613	3,786	5,583	1,984	3,660	3,087	4,730
34	Expenditures on U.S. merchandise	6,434	5,810	1,105	767	1,147	3,415	846	996	1,051	2,917
35	Expenditures on U.S. services ⁴	3,850	2,961	639	729	1,208	1,274	647	616	837	862
36	Financing of military sales contracts by U.S. Government ⁵ (line C6)	2,688	2,479	582	698	789	619	545	846	669	418
37	By long-term credits	226	662	65	28	70	63	48	200	221	193
38	By short-term credits ¹										
39	By grants ¹	2,462	1,817	517	670	719	556	497	647	448	226
40	U.S. Government grants and credits to repay prior U.S. Government credits ^{1,4}	789	1,351	338	54	144	252	92	1,069	82	108
41	U.S. Government long- and short-term credits to repay prior U.S. private credits ⁶ and other assets	1,691	1,250	361	379	584	367	164	160	462	465
42	Increase in liabilities associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line C11)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)
43	Less receipts on short-term U.S. Government assets (a) financing military sales contracts ¹ (b) financing repayment of private credits and other assets, and (c) financing expenditures on U.S. merchandise	337	306	5	9	32	292	257	13	18	18
44	Less foreign currencies used by U.S. Government other than for grants or credits (line A19)	169	86	55	6	55	52	53	14	-4	23
45	Estimated dollar payments to foreign countries and international financial institutions	6,006	6,272	1,495	1,271	1,449	1,791	1,005	1,108	1,376	2,783
B1	Repayments on U.S. Government long-term assets, total (table 1, line 41)	6,026	4,923	1,763	874	1,928	1,462	1,108	1,640	1,354	821
2	Receipts of principal on U.S. Government credits	5,479	4,346	1,623	737	1,794	1,325	958	1,505	1,211	673
3	Under Agricultural Trade Development and Assistance Act and related programs	988	608	660	30	116	183	35	254	127	192
4	Under Foreign Assistance Act and related programs	2,308	1,697	728	266	1,132	181	489	256	769	183
5	Under Export-Import Bank Act	1,795	978	201	407	465	722	342	247	250	139
6	Under Commodity Credit Corporation Charter Act	263	940	34	30	81	118	92	746	64	38
7	Under other credit programs	124	124	(^r)	3	(^r)	121	(^r)	3	(^r)	122
8	Receipts on other long-term assets	547	577	140	137	134	136	150	135	144	148
C1	U.S. Government liabilities other than securities, total, net increase (+) (table 1, line 53)	1,666	2,514	-438	158	1,121	825	938	252	700	624
2	Associated with military sales contracts ²	1,815	2,559	-450	334	1,121	810	961	264	708	626
3	U.S. Government cash receipts from foreign governments (including principal repayments on credits financing military sales contracts), net of refunds, ¹	11,030	10,641	1,968	2,444	2,977	3,641	2,443	1,834	2,924	3,440
4	Less U.S. Government receipts from principal repayments	578	739	208	90	257	23	316	93	309	21
5	Less U.S. Treasury securities issued in connection with prepayments for military purchases in the United States	-88	-1,022	-309	-348	-441	1,010	-748	-488	-234	448
6	Plus financing of military sales contracts by U.S. Government ⁵ (line A36)	2,688	2,479	582	698	789	619	545	846	669	418
7	By long-term credits	226	662	65	28	70	63	48	200	221	193
8	By short-term credits ¹										
9	By grants ¹	2,462	1,817	517	670	719	556	497	647	448	226
10	Less transfers of goods and services (including transfers financed by grants for military purchases, and by credits)/1/2/ (table 1, line 4)	11,413	10,845	3,101	3,066	2,830	2,416	2,459	2,812	2,811	2,764
11	Associated with U.S. Government grants and transactions increasing Government assets (including changes in retained accounts) ⁷ (line A42)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)	(^r)
12	Associated with other liabilities	-149	-45	12	-176	(^r)	15	-23	-12	-8	-2
13	Sales of nuclear material by Department of Energy/U.S. Enrichment Corporation	-37	-32	14	-41	-9	-1	-5	-8	-11	-8
14	Sales of space launch and other services by National Aeronautics and Space Administration	-162	4	4	-139	-6	-22	-15	3	15	-1
15	Other sales and miscellaneous operations	50	-17	-6	4	14	38	-3	-7	-12	6

See footnotes on page 98.

Table 5.—Direct Investment: Income, Capital, Royalties and License Fees, and Other Private Services

[Millions of dollars]

Line	(Credits +; debits -)	1993	1994 ^a	Not seasonally adjusted								Seasonally adjusted							
				1993				1994				1993				1994			
				I	II	III	IV	I ^r	II ^r	III ^r	IV ^r	I	II	III	IV	I ^r	II ^r	III ^r	IV ^r
U.S. direct investment abroad:																			
1	Income with current-cost adjustment, before deduction of withholding taxes (table 1, line 12)	57,515	66,585	13,949	14,855	13,862	14,849	15,009	15,884	17,143	18,549	13,893	14,663	14,526	14,433	15,011	15,421	18,110	18,044
2	Earnings	56,117	64,418	13,568	14,520	13,553	14,477	14,552	15,379	16,550	17,937	13,512	14,328	14,217	14,061	14,554	14,917	17,517	17,432
3	Distributed earnings	26,552	30,579	5,305	6,642	4,975	9,631	6,454	5,903	6,566	11,657	5,990	7,810	6,778	5,974	7,494	7,008	8,846	7,229
4	Reinvested earnings	29,565	33,840	8,263	7,878	8,578	4,846	8,098	9,476	9,985	6,280	7,522	6,518	7,439	8,087	7,060	7,909	8,671	10,203
5	Interest	1,398	2,167	381	335	309	373	457	505	593	612	381	335	309	373	457	505	593	612
6	U.S. parents' receipts	3,746	4,117	939	933	931	943	943	989	1,075	1,110	939	933	931	943	943	989	1,075	1,110
7	U.S. parents' payments	-2,349	-1,951	-558	-598	-622	-571	-486	-484	-482	-498	-558	-598	-622	-571	-486	-484	-482	-498
8	Less: Current-cost adjustment	-224	-130	-69	-58	-50	-47	-41	-36	-30	-23	-69	-58	-50	-47	-41	-36	-30	-23
9	Less: Withholding taxes	1,115	1,218	250	254	227	384	250	252	251	465	272	263	278	303	280	263	306	369
10	Equals: Income without current-cost adjustment, after deduction of withholding taxes ¹	56,623	65,497	13,768	14,659	13,684	14,512	14,801	15,668	16,922	18,106	13,689	14,459	14,299	14,178	14,772	15,195	17,834	17,697
11	Petroleum	8,557	7,541	2,153	2,146	2,087	2,171	2,001	1,504	1,892	2,145	1,999	2,449	2,116	1,992	1,885	1,728	1,925	2,004
12	Manufacturing	20,289	29,089	5,090	5,683	4,923	4,593	6,097	7,352	7,217	8,423	5,165	5,180	5,509	4,437	6,184	6,656	8,095	8,155
13	Other	27,778	28,866	6,525	6,830	6,674	7,749	6,703	6,811	7,814	7,538	6,525	6,830	6,674	7,749	6,703	6,811	7,814	7,538
14	Capital with current-cost adjustment (table 1, line 44) ..	-57,870	-58,422	-11,944	-19,034	-7,450	-19,443	-26,026	-9,795	-12,536	-10,066	-11,202	-17,675	-6,311	-22,683	-24,987	-8,227	-11,223	-13,989
15	Equity capital	-17,423	-12,587	-1,829	-6,467	-4,161	-4,966	-2,959	-2,670	-3,401	-3,557	-1,829	-6,467	-4,161	-4,966	-2,959	-2,670	-3,401	-3,557
16	Increases in equity capital ²	-24,322	-21,136	-4,128	-7,767	-5,267	-7,159	-3,841	-4,264	-4,554	-8,477	-4,128	-7,767	-5,267	-7,159	-3,841	-4,264	-4,554	-8,477
17	Decreases in equity capital ³	6,898	8,549	2,299	1,300	1,107	2,193	882	1,594	1,153	4,920	2,299	1,300	1,107	2,193	882	1,594	1,153	4,920
18	Reinvested earnings	-29,565	-33,840	-8,263	-7,878	-8,578	-4,846	-8,098	-9,476	-9,985	-6,280	-7,522	-6,518	-7,439	-8,087	-7,060	-7,909	-8,671	-10,203
19	Intercompany debt	-10,882	-11,995	-1,851	-4,690	5,288	-9,631	-14,968	2,352	849	-228	-1,851	-4,690	5,288	-9,631	-14,968	2,352	849	-228
20	U.S. parents' receivables	-14,694	-12,829	-5,458	-9,676	-4,136	4,576	-9,891	-3,597	-2,224	2,883	-5,458	-9,676	-4,136	4,576	-9,891	-3,597	-2,224	2,883
21	U.S. parents' payables	3,811	834	3,607	4,986	9,424	-14,206	-5,077	5,949	3,073	-3,111	3,607	4,986	9,424	-14,206	-5,077	5,949	3,073	-3,111
22	Less: Current-cost adjustment (line 8 with sign reversed)	224	130	69	58	50	47	41	36	30	23	69	58	50	47	41	36	30	23
23	Equals: Capital without current-cost adjustment ¹	-58,094	-58,552	-12,013	-19,092	-7,500	-19,490	-26,067	-9,831	-12,566	-10,089	-11,271	-17,733	-6,361	-22,730	-25,028	-8,263	-11,253	-14,012
24	Equity capital (line 15)	-17,423	-12,587	-1,829	-6,467	-4,161	-4,966	-2,959	-2,670	-3,401	-3,557	-1,829	-6,467	-4,161	-4,966	-2,959	-2,670	-3,401	-3,557
25	Petroleum	-241	-970	214	-181	-25	-249	-147	-243	-366	-215	214	-181	-25	-249	-147	-243	-366	-215
26	Manufacturing	-9,432	-3,287	-1,505	-4,132	-2,389	-1,406	-841	-842	-104	-1,501	-1,505	-4,132	-2,389	-1,406	-841	-842	-104	-1,501
27	Other	-7,750	-8,331	-539	-2,154	-1,747	-3,311	-1,972	-1,586	-2,931	-1,842	-539	-2,154	-1,747	-3,311	-1,972	-1,586	-2,931	-1,842
28	Reinvested earnings without current-cost adjustment (line 18 less line 22)	-29,789	-33,970	-8,332	-7,936	-8,628	-4,893	-8,139	-9,512	-10,015	-6,303	-7,591	-6,576	-7,489	-8,134	-7,101	-7,945	-8,701	-10,226
29	Petroleum	-2,882	-1,679	-916	-452	-1,076	-437	-772	370	-586	-691	-1,020	-205	-867	-789	-969	677	-332	-1,057
30	Manufacturing	-11,580	-17,535	-3,014	-3,821	-3,427	-1,319	-3,698	-5,575	-5,012	-3,250	-2,517	-2,899	-3,799	-2,367	-2,948	-4,363	-5,451	-4,774
31	Other	-15,327	-14,756	-4,403	-3,663	-4,124	-3,137	-3,669	-4,307	-4,417	-2,363	-4,054	-3,472	-2,823	-4,978	-3,184	-4,259	-2,918	-4,395
32	Intercompany debt (line 19)	-10,882	-11,995	-1,851	-4,690	5,288	-9,631	-14,968	2,352	849	-228	-1,851	-4,690	5,288	-9,631	-14,968	2,352	849	-228
33	Petroleum	-1,964	-1,674	-655	-930	-170	-209	-438	-641	-772	178	-655	-930	-170	-209	-438	-641	-772	178
34	Manufacturing	1,929	-3,867	-1,466	-209	1,020	2,584	-3,572	1,123	881	-2,299	-1,466	-209	1,020	2,584	-3,572	1,123	881	-2,299
35	Other	-10,848	-6,455	270	-3,551	4,439	-12,006	-10,958	1,870	740	1,894	270	-3,551	4,439	-12,006	-10,958	1,870	740	1,894
36	Royalties and license fees, before deduction of withholding taxes, net	14,926	16,627	3,411	3,792	3,614	4,108	3,558	3,911	4,130	5,028	3,702	3,810	3,775	3,640	3,878	3,934	4,325	4,490
37	U.S. parents' receipts (table 1, part of line 8)	15,158	16,903	3,463	3,842	3,668	4,185	3,617	3,970	4,203	5,112	3,755	3,859	3,828	3,717	3,938	3,994	4,398	4,574
38	U.S. parents' payments (table 1, part of line 22)	-232	-276	-52	-49	-54	-77	-60	-59	-73	-84	-52	-49	-54	-77	-60	-59	-73	-84
39	Other private services, before deduction of withholding taxes, net	4,908	4,952	1,313	1,145	1,220	1,230	1,293	1,190	1,167	1,302	1,294	1,117	1,210	1,288	1,267	1,172	1,155	1,356
40	U.S. parents' receipts (table 1, part of line 9)	10,497	10,540	2,506	2,566	2,585	2,841	2,495	2,597	2,529	2,919	2,599	2,566	2,630	2,703	2,586	2,603	2,574	2,776
41	U.S. parents' payments (table 1, part of line 23)	-5,589	-5,588	-1,193	-1,421	-1,364	-1,611	-1,203	-1,407	-1,362	-1,617	-1,305	-1,449	-1,420	-1,415	-1,319	-1,431	-1,419	-1,420
Foreign direct investment in the United States:																			
42	Income with current-cost adjustment, before deduction of withholding taxes (table 1, line 26)	-5,110	-25,188	330	-2,382	-1,042	-2,016	-2,979	-4,986	-8,407	-8,816	-246	-1,970	-561	-2,332	-3,559	-4,574	-7,923	-9,132
43	Earnings	1,040	-15,175	2,016	-1,098	484	-363	-1,449	-2,865	-5,159	-5,103	1,440	-687	966	-678	-2,029	-2,453	-5,275	-5,419
44	Distributed earnings	-8,355	-7,869	-2,391	-2,381	-1,829	-1,755	-2,011	-1,759	-2,411	-2,411	-2,551	-2,526	-1,838	-1,440	-2,230	-2,247	-1,318	-2,074
45	Reinvested earnings	9,396	-7,306	4,408	1,283	2,313	1,392	563	-697	-4,480	-2,692	3,991	1,839						

Table 6.—Securities Transactions

[Millions of dollars]

Line	(Credits +; debits -)	1993	1994 ^P	Not seasonally adjusted							
				1993				1994			
				I	II	III	IV	I	II	III ^r	IV ^P
A1	Foreign securities, net U.S. purchases (-), (table 1, line 45 or lines 2 + 13 below)	-119,983	-60,621	-24,517	-24,340	-40,777	-30,349	-24,605	-14,007	-8,103	-13,906
2	Stocks, net U.S. purchases	-60,573	-43,044	-7,893	-13,022	-19,651	-20,007	-17,362	-11,665	-5,959	-8,058
3	New issues in the United States	-13,774	-14,057	-1,559	-2,405	-3,925	-5,885	-3,591	-4,682	-2,560	-3,224
4	Of which Western Europe	-4,770	-8,010	-282	-1,592	-977	-1,919	-2,090	-3,643	-1,078	-1,199
5	Canada	-408	-156	-37	-11	-253	-107		(D)		-156
6	Latin America	-2,945	-3,036	-113	-267	-954	-1,611	-774	-547	-1,271	-444
7	Transactions in outstanding stocks, net	-46,799	-28,987	-6,334	-10,617	-15,726	-14,122	-13,771	-6,983	-3,399	-4,834
8	Western Europe	-20,504	-6,446	-2,283	-5,897	-7,916	-4,408	-1,339	1,201	-4,682	-1,626
9	Of which United Kingdom	-8,843	-3,759	-1,325	-2,906	-2,532	-2,080	-713	796	-2,221	-1,621
10	Canada	-4,646	-2,060	-1,213	-1,317	-873	-1,243	-905	-517	-1,041	403
11	Japan	-5,504	-13,572	-1,523	-360	-1,389	-2,232	-9,361	-4,134	992	-1,069
12	Other	-16,145	-6,909	-1,315	-3,043	-5,548	-6,239	-2,166	-3,533	1,332	-2,542
13	Bonds, net U.S. purchases	-59,410	-17,577	-16,624	-11,318	-21,126	-10,342	-7,243	-2,342	-2,144	-5,848
14	New issues in the United States	-46,766	-35,435	-10,239	-12,343	-14,318	-9,866	-11,482	-6,994	-9,794	-7,165
15	By issuer:										
16	Central governments and their agencies and corporations	-9,576	-8,091	-1,002	-2,443	-4,764	-1,367	-2,470	-2,723	-1,791	-1,107
17	Other governments and their agencies and corporations ¹	-12,526	-7,908	-5,097	-3,166	-3,067	-1,193	-3,921	-1,270	-1,873	-844
18	Private corporations	-23,160	-18,361	-2,836	-6,734	-6,487	-7,103	-4,941	-3,001	-5,659	-4,760
19	International financial institutions ²	-1,504	-1,075	-1,304			-200	-150		-471	-454
20	By area:										
21	Western Europe	-15,007	-10,471	-2,777	-3,392	-7,179	-1,659	-1,519	-1,850	-4,329	-2,773
22	Canada	-14,179	-7,626	-4,913	-4,449	-3,801	-1,016	-3,896	-1,137	-1,868	-725
23	Japan										
24	Latin America	-5,334	-7,980	-200	-2,627	-273	-2,234	-2,213	-2,897	-1,639	-1,231
25	Other countries	-10,742	-8,283	-1,045	-1,875	-3,065	-4,757	-3,704	-1,110	-1,487	-1,982
26	International financial institutions ²	-1,504	-1,075	-1,304			-200	-150		-471	-454
27	Redemptions of U.S.-held foreign bonds ³	8,889	6,928	2,037	2,599	1,992	2,261	1,440	1,205	1,397	2,886
28	Western Europe	1,563	1,448	16	539	210	798	442	75	200	731
29	Canada	5,196	2,825	1,772	1,647	749	1,028	867	613	704	641
30	Other countries	1,665	1,593	99	213	918	435		517	330	746
31	International financial institutions ²	465	1,062	150	200	115		131		163	768
32	Other transactions in outstanding bonds, net ³	-21,533	10,930	-8,422	-1,574	-8,800	-2,737	2,799	3,447	6,253	-1,569
33	Western Europe	-39,143	17,047	-7,228	-9,067	-17,456	-5,392	4,554	8,053	5,103	-663
34	Of which United Kingdom	-39,641	26,892	-6,800	-9,835	-17,891	-5,115	14,047	12,068	1,570	-793
35	Canada	-400	487	-3,717	1,967	1,907	-557	-303	404	481	-95
36	Japan	3,164	-3,113	-535	1,406	1,358	935	-3,300	-42	555	-326
37	Other	14,846	-3,491	3,058	4,120	5,391	2,277	1,848	-4,968	114	-485
B1	U.S. securities, excluding Treasury securities and transactions of foreign official agencies, net foreign purchases (+), (table 1, line 59 or lines 2 + 10 below)	80,068	58,562	9,590	15,025	17,445	38,008	21,258	13,152	14,168	9,984
2	Stocks, net foreign purchases	18,590	2,800	3,948	229	2,523	11,890	6,623	-1,593	833	-3,063
3	By area:										
4	Western Europe	10,095	5,019	3,527	-979	778	6,769	6,519	1,465	-184	-2,781
5	Of which Germany	1,610	2,316	282	234	381	713	1,928	757	15	-384
6	Switzerland	2,928	-62	1,047	495	448	938	813	256	95	-1,226
7	United Kingdom	4,284	91	1,533	-1,689	236	4,204	2,129	-7	-679	-1,352
8	Canada	-3,355	-1,332	-143	-598	-2,157	-457	-71	-174	-677	-410
9	Japan	3,772	1,228	-363	140	2,489	1,506	-1,378	-166	2,434	338
10	Other	8,078	-2,115	927	1,666	1,413	4,072	1,553	-2,718	-740	-210
11	Corporate and other bonds, net foreign purchases	61,478	55,762	5,642	14,796	14,922	26,118	14,635	14,745	13,335	13,047
12	By type:										
13	New issues sold abroad by U.S. corporations	33,669	40,862	5,672	10,349	8,056	9,592	9,104	8,749	10,304	12,705
14	U.S. federally-sponsored agency bonds, net	32,148	17,361	1,149	7,875	8,414	14,710	6,716	3,034	3,030	4,581
15	Other outstanding bonds, net	-4,339	-2,461	-1,179	-3,428	-1,548	1,816	-1,185	2,962	1	-4,239
16	By area:										
17	Western Europe	21,637	35,463	3,113	4,770	5,173	8,581	8,339	5,732	11,572	9,820
18	Of which Germany	910	675	88	816	-627	633	-76	-110	-263	1,124
19	Switzerland	-624	1,173	95	-514	-360	155	364	92	96	621
20	United Kingdom	19,248	32,212	2,743	3,756	4,904	7,845	7,729	7,118	10,941	6,424
21	Canada	1,611	1,458	-173	698	624	462	-26	41	755	688
22	Japan	11,579	5,486	442	2,791	2,813	5,533	-425	3,486	1,880	545
23	Other countries	27,182	12,841	2,826	6,598	6,260	11,498	6,653	5,422	-881	1,647
24	International financial institutions ²	-531	514	-566	-61	52	44	94	64	9	347
Memoranda:											
Other foreign transactions in marketable, long-term U.S. securities included elsewhere in international transactions accounts:											
Foreign official assets in the United States (lines in table 9):											
1	U.S. Treasury marketable bonds (line A4)	1,278	41,434	-7,961	-1,475	-771	11,485	3,276	13,289	18,802	6,067
2	Other U.S. Government securities (line A6)	4,062	5,988	665	1,082	1,345	970	50	2,355	2,003	1,580
3	U.S. corporate and other bonds (part of line A14)	627	113	224	255	260	-112	-41	-95	-140	389
4	U.S. stocks (part of line A14)	1,958	-2,461	1,180	844	-76	10	-749	-861	-639	-2912
5	Other foreign transactions in U.S. Treasury bonds and notes (table 9, line B4)	22,367	35,453	13,537	-1,309	2,160	7,979	10,072	-12,643	9,008	29,016

See footnotes on page 98.

Table 7.—Claims on and Liabilities to Unaffiliated Foreigners Reported by U.S. Nonbanking Concerns

[Millions of dollars]

Line	(Credits +; increase in U.S. liabilities or decrease in U.S. assets. Debits -; decrease in U.S. liabilities or increase in U.S. assets.)	1993	Not seasonally adjusted								Amounts outstanding Sept. 30, 1994
			1993				1994				
			I	II	III	IV	I	II	III ^P	IV	
A1	Claims, total (table 1, line 46)	-598	-5,046	-87	4,838	-303	1,941	-4,264	-7,356	n.a.	271,216
2	Financial claims	536	-3,690	-147	3,852	521	1,746	-3,614	-7,052	n.a.	249,878
3	<i>Denominated in U.S. dollars</i>	9,769	1,762	2,233	2,515	3,259	4,396	-5,503	-7,167	n.a.	199,954
4	<i>Denominated in foreign currencies</i>	-9,233	-5,452	-2,380	1,337	-2,738	-2,650	1,889	115	n.a.	49,924
5	By type: Deposits ¹	1,948	-3,439	231	4,144	1,012	1,353	-4,059	-7,100	n.a.	246,997
6	Other claims ^{1,2}	-1,412	-251	-378	-292	-491	393	445	48	n.a.	2,881
7	By area: Industrial countries ³	1,491	-5,590	2,607	2,536	1,938	3,950	-3,535	548	n.a.	99,775
8	<i>Of which United Kingdom</i>	9,137	867	880	7,061	329	4,712	-2,099	-1,184	n.a.	37,763
9	Canada	1,623	-1,937	2,777	-648	1,431	-3,239	-4	-283	n.a.	12,353
10	Caribbean banking centers ⁴	4,487	1,068	1,015	2,629	-225	-1,857	1,519	-7,391	n.a.	134,554
11	Other	-5,442	832	-3,769	-1,313	-1,192	-347	-1,598	-209	n.a.	15,549
12	Commercial claims	-1,134	-1,356	60	986	-824	195	-650	-304	n.a.	21,338
13	<i>Denominated in U.S. dollars</i>	-428	-1,331	273	1,237	-607	274	-544	-293	n.a.	19,636
14	<i>Denominated in foreign currencies</i>	-706	-25	-213	-251	-217	-79	-106	-11	n.a.	1,702
15	By type: Trade receivables	-487	-1,560	184	1,482	-593	87	-719	-355	n.a.	18,542
16	Advance payments and other claims	-647	204	-124	-496	-231	108	69	51	n.a.	2,796
17	By area: Industrial countries ³	-627	-747	172	246	-298	183	-88	-30	n.a.	12,735
18	Members of OPEC ⁵	75	-64	84	230	-175	47	30	-75	n.a.	1,221
19	Other	-582	-545	-196	510	-351	-35	-592	-199	n.a.	7,382
B1	Liabilities, total (table 1, line 60)	14,282	774	7,606	1,169	4,733	5,867	3,662	8,426	n.a.	248,018
2	Financial liabilities	10,770	-724	7,733	-1,531	5,292	5,174	3,469	9,538	n.a.	221,217
3	<i>Denominated in U.S. dollars</i>	9,959	-1,718	6,073	18	5,586	4,295	3,800	8,493	n.a.	203,071
4	<i>Denominated in foreign currencies</i>	811	994	1,660	-1,549	-294	879	-331	1,045	n.a.	18,146
5	By area: Industrial countries ³	10,226	3,039	4,554	-1,874	4,507	2,224	1,129	4,581	n.a.	62,265
6	<i>Of which United Kingdom</i>	9,836	3,240	4,009	-1,247	3,834	1,109	2,045	944	n.a.	47,784
7	Caribbean banking centers ⁴	-3,870	-2,440	-694	-902	166	2,826	903	294	n.a.	136,536
8	Other	4,414	-1,323	3,873	1,245	619	124	1,437	4,663	n.a.	22,416
9	Commercial liabilities	3,512	1,498	-127	2,700	-559	693	193	-1,112	n.a.	26,801
10	<i>Denominated in U.S. dollars</i>	2,581	1,451	-261	2,304	-913	2	217	-994	n.a.	24,801
11	<i>Denominated in foreign currencies</i>	931	47	134	396	354	691	-24	-118	n.a.	2,000
12	By type: Trade payables	-875	119	-318	-204	-472	503	912	-351	n.a.	9,855
13	Advance receipts and other liabilities	4,387	1,379	191	2,904	-87	190	-719	-761	n.a.	16,946
14	By area: Industrial countries ³	4,049	958	-84	2,549	626	770	-59	-719	n.a.	17,220
15	Members of OPEC ⁵	-343	-53	155	102	-547	60	342	-114	n.a.	2,413
16	Other	-194	593	-198	49	-638	-137	-90	-279	n.a.	7,168

See footnotes on page 98.

Table 8.—Claims on Foreigners Reported by U.S. Banks

[Millions of dollars]

Line	(Credits +; decrease in U.S. assets. Debits -; increase in U.S. assets.)	1993	1994 ^P	Not seasonally adjusted								Amounts outstanding Dec. 31, 1994
				1993				1994				
				I	II	III	IV	I	II	III ^r	IV ^P	
1	Total (table 1, line 47)	32,238	-2,033	28,601	5,595	7,335	-9,293	-1,236	15,248	1,268	-17,313	643,817
2	By type:											
3	Banks' own claims	18,790	9,218	21,576	2,522	1,525	-6,833	-5,414	15,345	-942	229	532,882
4	Payable in dollars	16,235	4,064	23,033	-6,201	5,108	-5,705	8,058	-1,685	1,616	-3,925	478,500
5	By borrower:											
6	Claims on:											
7	own foreign offices	17,652	3,116	10,257	-4,826	11,850	371	5,921	-9,078	6,622	-349	283,657
8	unaffiliated foreign banks	11,262	-11,191	12,769	2,652	-2,077	-2,082	3,203	-7,088	1,494	-8,800	109,214
9	foreign public borrowers ¹	2,059	5,380	-2,446	4,088	-2,508	2,925	3,042	3,957	-3,169	1,550	22,859
10	other private foreigners	-14,738	6,759	2,453	-8,115	-2,157	-6,919	-4,108	10,524	-3,331	3,674	62,770
11	By bank ownership: ²											
12	U.S.-owned banks' claims on:											
13	own foreign offices	7,487	-7,358	1,584	-2,446	4,768	3,581	-3,375	-4,769	1,929	-1,143	135,687
14	unaffiliated foreign banks	380	564	2,116	-749	825	-1,812	2,978	-85	1,561	-3,890	35,097
15	other foreigners	-8,343	9,266	-1,484	-4,406	-6,637	4,184	-3,101	10,967	-5,476	6,876	60,367
16	Foreign-owned banks' claims on:											
17	own foreign offices	10,165	10,474	8,673	-2,380	7,082	-3,210	9,296	-4,309	4,693	794	147,970
18	unaffiliated foreign banks	10,882	-11,755	10,653	3,401	-2,902	-270	225	-7,003	-67	-4,910	74,117
19	other foreigners	-4,336	2,873	1,491	379	1,972	-8,178	2,035	3,514	-1,024	-1,652	25,262
20	Payable in foreign currencies	2,555	5,154	-1,457	8,723	-3,583	-1,128	-13,472	17,030	-2,558	4,154	54,382
21	Banks' domestic customers' claims	13,448	-11,251	7,025	3,073	5,810	-2,460	4,178	-97	2,210	-17,542	110,935
22	Payable in dollars	12,161	-4,801	5,218	3,682	5,216	-1,955	4,775	430	3,015	-13,021	101,427
23	Deposits	5,833	-15,580	954	1,538	3,617	-276	-4,403	421	-390	-11,208	35,649
24	Foreign commercial paper ³	374	10,717	-1,046	1,480	-757	697	5,957	2,398	2,265	97	41,270
25	Other negotiable and readily transferable instruments ⁴	6,458	-613	5,754	523	2,384	-2,203	3,025	-2,230	490	-1,898	11,481
26	Outstanding collections and other	-504	675	-444	141	-28	-173	196	-159	650	-12	13,027
27	Payable in foreign currencies	1,287	-6,450	1,807	-609	594	-505	-597	-527	-805	-4,521	9,508
28	By area:											
29	Industrial countries ⁵	30,611	3,576	14,684	6,450	9,878	-401	-4,534	16,562	6,505	-14,957	318,316
30	Western Europe	13,161	-1,112	11,904	-1,726	611	2,372	-1,352	14,536	-964	-13,332	194,577
31	Of which United Kingdom	12,468	-2,294	8,494	578	3,450	-54	-2,986	9,466	-2,707	-6,067	97,454
32	Canada	-5,093	966	-5,138	3,147	-1,151	-1,951	-417	-4,992	3,921	2,454	32,031
33	Japan	22,924	2,316	9,671	4,596	10,152	-1,495	-2,977	6,447	872	-2,026	82,254
34	Other	-381	1,406	-1,753	433	266	673	212	571	2,676	-2,053	9,454
35	Caribbean banking centers ⁶	3,813	-6,881	9,699	-1,317	-2,364	-2,205	2,983	-3,436	-3,621	-2,807	180,651
36	Other areas	-2,186	1,272	4,218	462	-179	-6,687	315	2,122	-1,616	451	144,850
37	Of which Members of OPEC, included below ⁷	3,521	2,407	-1,366	1,189	4,664	-966	695	-1,974	1,809	1,877	19,767
38	Latin America	-6,151	-2,490	1,879	-1,821	-1,810	-4,399	-3,511	2,127	2,664	-3,770	74,042
39	Asia	447	4,389	66	1,230	1,666	-2,515	3,213	-142	-3,716	5,034	58,737
40	Africa	-22	959	315	-194	-254	111	37	-99	457	564	2,799
41	Other ⁸	3,540	-1,586	1,958	1,247	219	116	576	236	-1,021	-1,377	9,272
42	Memoranda:											
43	International banking facilities' (IBF's) own claims, payable in dollars (lines 1-13 above)	36,880	-16,977	25,146	-6,341	14,480	3,595	3,065	-8,784	3,003	-14,261	210,381
44	By borrower:											
45	Claims on:											
46	own foreign offices	18,483	-8,617	11,168	-12,285	15,228	4,372	-965	-1,508	2,177	-8,321	107,347
47	unaffiliated foreign banks	15,421	-11,914	13,388	4,192	-1,197	-962	2,593	-8,478	-399	-5,630	73,620
48	foreign public borrowers	3,438	3,750	1,011	1,758	221	448	1,792	1,484	599	-125	9,271
49	all other foreigners	-462	-196	-421	-6	228	-263	-355	-282	626	-185	20,143
50	By bank ownership: ²											
51	U.S.-owned IBF's	2,242	-10,265	1,875	-7,368	7,393	342	-5,155	-392	-1,385	-3,333	66,353
52	Foreign-owned IBF's	34,638	-6,712	23,271	1,027	7,087	3,253	8,220	-8,392	4,388	-10,928	144,028
53	Banks' dollar acceptances payable by foreigners	784	-463	705	-213	-27	319	301	58	-112	-710	8,315

See footnotes on page 98.

Table 9.—Foreign Official Assets and Other Foreign Assets in the United States Reported by U.S. Banks

[Millions of dollars]

Line	(Credits +; increase in foreign assets. Debits –; decrease in foreign assets.)	1993	1994 ^P	Not seasonally adjusted								Amounts outstanding Dec. 31, 1994
				1993				1994				
				I	II	III	IV	I	II	III ^r	IV ^P	
A1	Foreign official assets in the United States (table 1, line 49)	71,681	38,912	10,968	17,492	19,259	23,962	11,530	8,925	19,460	–1,003	547,681
	By type:											
2	U.S. Treasury securities (table 1, line 51)	48,702	30,441	1,080	5,668	19,098	22,856	1,193	6,033	15,841	7,374	403,318
3	Bills and certificates	46,304	–11,450	8,951	6,313	19,778	11,262	–2,193	–7,369	–3,077	1,189	139,450
4	Bonds and notes, marketable	1,278	41,434	–7,961	–1,475	–771	11,485	3,276	13,289	18,802	6,067	258,069
5	Bonds and notes, nonmarketable	1,120	457	90	830	91	109	110	113	116	118	5,799
6	Other U.S. Government securities (table 1, line 52)	4,062	5,988	665	1,082	1,345	970	50	2,355	2,003	1,580	26,129
7	Other U.S. Government liabilities (table 1, line 53)	1,666	2,514	–438	158	1,121	825	938	252	700	624	25,445
8	U.S. liabilities reported by U.S. banks, not included elsewhere (table 1, line 54)	14,666	2,317	8,257	9,485	–2,489	–587	10,139	1,241	1,695	–10,758	71,824
9	Banks' liabilities for own account, payable in dollars ¹	12,854	–5,557	8,519	3,246	652	437	3,015	696	4,468	–13,736	58,373
10	Demand deposits	299	131	159	763	–273	–350	157	361	–338	–49	1,642
11	Time deposits ¹	3,695	2,448	1,085	829	972	809	2,290	2,086	1,984	–3,912	22,997
12	Other liabilities ²	8,860	–8,136	7,275	1,654	–47	–22	568	–1,751	2,822	–9,775	33,734
13	Banks' custody liabilities, payable in dollars ^{1,3}	1,812	7,874	–262	6,239	–3,141	–1,024	7,124	545	–2,773	2,978	13,451
14	Other foreign official assets (table 1, line 55)	2,585	–2,348	1,404	1,099	184	–102	–790	–956	–779	177	20,965
	By area (see text table D):											
B1	Other foreign assets in the United States (table 1, lines 58 and 61)	43,301	139,114	–5,994	2,837	31,092	15,366	44,460	18,105	23,464	53,085	1,061,150
	By type:											
2	U.S. Treasury securities (line 58)	24,849	32,925	14,001	–622	3,474	7,996	9,260	–7,434	5,111	25,988	284,060
	By security:											
3	Bills and certificates	2,482	–2,528	464	687	1,314	17	–812	5,209	–3,897	–3,028	23,052
4	Marketable bonds and notes	22,367	35,453	13,537	–1,309	2,160	7,979	10,072	–12,643	9,008	29,016	261,008
	By holder:											
5	Foreign banks	–380	364	–1,111	570	1,248	–1,087	300	–175	117	122	11,073
6	Other private foreigners	22,680	36,416	12,132	–436	2,268	8,716	10,645	–6,853	7,051	25,573	261,023
7	International financial institutions ⁴	2,549	–3,855	2,980	–756	–42	367	–1,685	–406	–2,057	293	11,964
8	U.S. liabilities reported by U.S. banks (line 61)	18,452	106,189	–19,995	3,459	27,618	7,370	35,200	25,539	18,353	27,097	777,090
9	Banks' own liabilities ¹	6,192	107,745	–20,217	2,069	23,001	1,339	33,741	21,728	26,153	26,123	742,528
10	Payable in dollars	1,391	96,647	–28,512	7,954	17,002	4,947	25,823	35,770	16,282	18,772	652,994
	By account:											
11	Liabilities to own foreign offices	–16,734	78,268	–6,241	–8,097	6,772	–9,168	23,098	21,511	11,335	22,324	392,494
	Liabilities to unaffiliated foreigners:											
12	demand deposits	–555	3,555	–544	–865	4,308	–3,454	1,302	1,170	–642	1,725	23,575
13	time deposits ¹	10,904	8,961	–16,592	7,506	220	19,770	–515	5,414	–7,546	11,608	162,705
14	other liabilities ²	7,776	5,863	–5,135	9,410	5,702	–2,201	1,938	7,675	13,135	–16,885	74,220
	By holder:											
15	Liabilities to:											
16	own foreign offices	–16,734	78,268	–6,241	–8,097	6,772	–9,168	23,098	21,511	11,335	22,324	392,494
17	unaffiliated foreign banks	15,259	10,222	–17,584	15,036	4,943	12,864	32	11,560	–4,185	2,815	170,661
18	other private foreigners	4,267	9,998	–3,773	782	3,562	3,696	2,691	3,084	8,497	–4,274	85,630
	international financial institutions ⁴	–1,401	–1,841	–914	233	1,725	–2,445	2	–385	635	–2,093	4,209
	By bank ownership: ⁵											
19	U.S.-owned banks' liabilities to:											
20	own foreign offices	1,137	60,127	5,326	362	382	–4,933	17,482	17,534	10,381	14,730	182,975
21	unaffiliated foreign banks	966	7,316	–158	972	4,923	–4,771	2,058	2,559	2,828	–129	33,912
	other private foreigners and international financial institutions ⁴	2,957	9,004	–3,145	2,357	3,664	81	2,405	3,014	8,924	–5,339	58,245
	Foreign-owned banks' liabilities to:											
22	own foreign offices	–17,871	18,141	–11,567	–8,459	6,390	–4,235	5,616	3,977	954	7,594	209,519
23	unaffiliated foreign banks	14,293	2,906	–17,426	14,064	20	17,635	–2,026	9,001	–7,013	2,944	136,749
24	other private foreigners and international financial institutions ⁴	–91	–847	–1,542	–1,342	1,623	1,170	288	–315	208	–1,028	31,594
25	Payable in foreign currencies	4,801	11,098	8,295	–5,885	5,999	–3,608	7,918	–14,042	9,871	7,351	89,534
26	Banks' custody liabilities, payable in dollars ^{1,3}	12,260	–1,556	222	1,390	4,617	6,031	1,459	3,811	–7,800	974	34,562
27	Of which negotiable and readily transferable instruments	12,348	–2,300	651	1,563	4,268	5,866	–1,262	7,455	–8,177	–316	28,310
	By area:											
28	Industrial countries ⁶	56,192	75,715	–3,492	19,536	14,559	25,589	30,397	437	27,917	16,964	626,828
29	Western Europe	54,059	49,014	–13,445	29,876	9,505	28,123	20,458	2,099	9,177	17,280	426,767
30	Canada	7,769	7,054	6,811	–1,772	7,180	–4,450	2,579	1,193	3,491	–209	36,287
31	Other	–5,636	19,647	3,142	–8,568	–2,126	1,916	7,360	–2,855	15,249	–107	163,774
32	Caribbean banking centers ⁷	–9,332	66,761	6,228	–13,766	8,384	–10,178	14,247	18,417	–9,489	43,586	286,551
33	Other areas	–3,559	–3,362	–8,730	–2,933	8,149	–45	–184	–749	5,036	–7,465	147,771
34	Of which Members of OPEC, included below ⁸	–5,886	2,435	–3,063	–2,118	2,670	–635	–873	2,616	1,102	–410	79,998
35	Latin America	–5,407	–1,060	–6,201	–1,132	1,462	464	700	–3,117	1,967	–610	46,935
36	Asia	–4,205	4,037	–3,845	–3,255	3,475	–580	1,731	1,024	6,619	–5,337	74,627
37	Africa	1,520	52	–17	420	492	625	–684	329	–80	487	6,212
38	Other ⁹	4,533	–6,391	1,333	1,034	2,720	–554	–1,931	1,015	–3,470	–2,005	19,997
	Memoranda:											
1	International banking facilities' (IBF's) own liabilities, payable in dollars (in lines A9, and B10 above)	–115	41,483	–23,100	8,913	6,130	7,942	539	26,084	4,588	10,272	355,224
	By holder:											
2	Liabilities to:											
3	own foreign offices	–15,130	26,547	–6,521	–5,731	2,771	–5,649	–1,863	11,687	10,365	6,358	162,881
4	unaffiliated foreign banks	13,918	8,082	–17,897	13,479	2,077	16,259	–1,421	10,995	–7,104	5,612	141,726
5	foreign official agencies	2,913	5,265	2,207	1,553	286	–1,133	3,440	1,919	2,151	–2,245	30,078
	other private foreigners and international financial institutions ⁴	–1,816	1,589	–889	–388	996	–1,535	383	1,483	–824	547	20,539
	By bank ownership: ⁵											
6	U.S.-owned IBF's	4,425	22,522	380	2,522	–360	1,883	7,525	7,294	8,074	–371	79,060
7	Foreign-owned IBF's	–4,540	18,961	–23,480	6,391	6,490	6,059	–6,986	18,790	–3,486	10,643	276,164
8	Negotiable certificates of deposit held for foreigners ¹ (in lines A13 and B27 above)	8,456	361	434	843	876	6,303	1,642	7,866	–7,915	–1,232	17,928

See footnotes on page 98.

Table 10.—U.S. International

[Millions]

Line	(Credits +; debits -) ¹	Western Europe						European Union ¹⁴	
		1993	1994 ^P	1994				1993	1994 ^P
				I	II	III ^r	IV ^P		
1	Exports of goods, services, and income	222,627	238,987	56,136	58,658	59,805	64,387	189,836	206,055
2	Merchandise, adjusted, excluding military ²	111,257	115,317	28,833	28,835	26,533	31,116	94,992	100,398
3	Services ³	65,319	69,314	15,132	16,831	19,205	18,145	55,377	58,427
4	Transfers under U.S. military agency sales contracts ⁴	3,206	3,115	766	828	821	700	2,276	1,972
5	Travel	18,725	19,488	3,618	4,732	6,314	4,824	15,829	16,439
6	Passenger fares	5,883	6,130	1,146	1,380	1,995	1,609	5,511	5,656
7	Other transportation	7,945	8,894	2,023	2,205	2,301	2,365	5,847	6,632
8	Royalties and license fees ⁵	10,760	12,058	2,633	2,881	2,981	3,563	9,708	10,870
9	Other private services ⁵	18,513	19,473	4,890	4,761	4,773	5,051	15,970	16,733
10	U.S. Government miscellaneous services	288	156	58	44	21	33	237	125
11	Income receipts on U.S. assets abroad	46,051	54,356	12,170	12,992	14,067	15,126	39,467	47,230
12	Direct investment receipts	24,371	28,425	6,536	6,651	7,384	7,854	19,729	23,266
13	Other private receipts	19,659	24,356	5,172	6,028	6,243	6,913	17,892	22,561
14	U.S. Government receipts	2,021	1,575	463	313	440	360	1,845	1,403
15	Imports of goods, services, and income	-235,666	-268,168	-59,816	-66,664	-69,649	-72,040	-201,259	-229,690
16	Merchandise, adjusted, excluding military ²	-120,947	-132,877	-31,074	-33,443	-32,842	-35,518	-102,238	-112,313
17	Services ³	-56,056	-58,276	-13,114	-15,217	-15,946	-13,999	-48,455	-50,415
18	Direct defense expenditures	-8,551	-7,049	-1,860	-1,764	-1,750	-1,675	-7,797	-6,472
19	Travel	-14,190	-15,261	-2,823	-4,421	-4,828	-3,189	-12,503	-13,586
20	Passenger fares	-5,438	-6,023	-1,158	-1,674	-1,842	-1,349	-4,914	-5,456
21	Other transportation	-8,513	-9,239	-2,098	-2,364	-2,418	-2,359	-6,322	-7,030
22	Royalties and license fees ⁵	-3,379	-4,031	-1,056	-943	-986	-1,046	-2,557	-2,926
23	Other private services ⁵	-14,929	-15,542	-3,835	-3,764	-3,848	-4,096	-13,504	-13,976
24	U.S. Government miscellaneous services	-1,056	-1,131	-284	-286	-275	-285	-858	-969
25	Income payments on foreign assets in the United States	-58,663	-77,015	-15,628	-18,004	-20,861	-22,522	-50,566	-66,963
26	Direct investment payments	-9,193	-19,277	-2,763	-4,008	-6,144	-6,362	-7,691	-16,722
27	Other private payments	-33,274	-39,996	-8,746	-9,858	-10,231	-11,161	-29,339	-35,528
28	U.S. Government payments	-16,196	-17,742	-4,119	-4,138	-4,486	-4,999	-13,536	-14,713
29	Unilateral transfers, net	817	860	145	336	317	64	1,945	1,679
30	U.S. Government grants ⁴	-771	-500	-141	-67	-82	-210	-131	-117
31	U.S. Government pensions and other transfers	-960	-1,108	-261	-253	-244	-350	-672	-854
32	Private remittances and other transfers ⁶	2,548	2,468	546	655	643	624	2,748	2,650
33	U.S. assets abroad, net (increase/capital outflow (-))	-94,695	-22,742	-5,116	13,154	-10,588	-20,192	-81,670	-17,832
34	U.S. official reserve assets, net ⁷	-1,618	2,440	141	2,226	-298	371	-1,006	3,198
35	Gold .....	.....	.....	.....	.....	.....	.....	.....	.....
36	Special drawing rights .....	.....	.....	.....	.....	.....	.....	.....	.....
37	Reserve position in the International Monetary Fund .....	.....	.....	.....	.....	.....	.....	.....	.....
38	Foreign currencies	-1,618	2,440	141	2,226	-298	371	-1,006	3,198
39	U.S. Government assets, other than official reserve assets, net	291	-189	137	-158	-98	-69	102	-104
40	U.S. credits and other long-term assets	-346	-902	-96	-236	-325	-245	-346	-542
41	Repayments on U.S. credits and other long-term assets ⁸	665	684	225	70	217	172	470	424
42	U.S. foreign currency holdings and U.S. short-term assets, net	-28	30	7	8	10	4	-22	15
43	U.S. private assets, net	-93,368	-24,993	-5,394	11,086	-10,192	-20,494	-80,766	-20,926
44	Direct investment	-28,905	-21,836	-12,268	-3,199	-4,777	-1,593	-23,141	-19,403
45	Foreign securities	-77,862	-6,431	48	3,836	-4,786	-5,529	-71,783	-3,437
46	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	237	n.a.	8,178	-4,087	332	n.a.	1,154	n.a.
47	U.S. claims reported by U.S. banks, not included elsewhere	13,162	-1,149	-1,352	14,536	-961	-13,372	13,004	-367
48	Foreign assets in the United States, net (increase/capital inflow (+))	132,352	143,335	55,772	18,865	36,194	32,505	119,861	136,405
49	Foreign official assets in the United States, net	14,747	5,839	8,790	3,318	3,490	-9,759	(18)	(18)
50	U.S. Government securities	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)
51	U.S. Treasury securities ⁹	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)
52	Other ¹⁰	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)
53	Other U.S. Government liabilities ¹¹	-197	-55	-22	-181	17	130	-256	-124
54	U.S. liabilities reported by U.S. banks, not included elsewhere	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)
55	Other foreign official assets ¹²	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)
56	Other foreign assets in the United States, net	117,605	137,496	46,982	15,547	32,704	42,263	(18)	(18)
57	Direct investment	19,516	42,219	8,824	5,368	10,082	17,945	17,928	33,930
58	U.S. Treasury securities	(17)	(17)	(17)	(17)	(17)	(17)	(18)	(18)
59	U.S. securities other than U.S. Treasury securities	31,733	40,482	14,858	7,198	11,387	7,039	28,525	38,120
60	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	12,387	n.a.	3,008	929	2,064	n.a.	12,443	n.a.
61	U.S. liabilities reported by U.S. banks, not included elsewhere	(17)	(17)	(17)	(17)	(17)	(17)	18 61,221	18 58,641
62	Allocations of special drawing rights .....	.....	.....	.....	.....	.....	.....	.....	.....
63	Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed)	-25,436	-92,272	-47,120	-24,348	-16,079	-4,724	-28,713	-96,617
64	Memoranda: .....	.....	.....	.....	.....	.....	.....	.....	.....
65	Balance on merchandise trade (lines 2 and 16)	-9,690	-17,560	-2,241	-4,608	-6,309	-4,402	-7,246	-11,915
66	Balance on services (lines 3 and 17)	9,263	11,038	2,019	1,614	3,259	4,146	6,922	8,013
67	Balance on goods and services (lines 64 and 65)	-427	-6,522	-222	-2,994	-3,050	-256	-324	-3,903
68	Balance on investment income (lines 11 and 25)	-12,612	-22,659	-3,458	-5,012	-6,794	-7,396	-11,099	-19,732
69	Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67) ¹³	-13,039	-29,182	-3,680	-8,006	-9,843	-7,652	-11,423	-23,635
70	Unilateral transfers, net (line 29)	817	860	145	336	317	64	1,945	1,679
71	Balance on current account (lines 1, 15, and 29 or lines 68 and 69) ¹³	-12,222	-28,321	-3,535	-7,671	-9,527	-7,589	-9,478	-21,956

See footnotes on page 98.

Transactions, by Area

of dollars]

European Union ^{1 4}				United Kingdom						European Union (6) ^{1 5}						Line
1994				1993	1994 ^P	1994				1993	1994 ^P	1994				
I	II	III ^r	IV ^P			I	II	III ^r	IV ^P			I	II	III ^r	IV ^P	
48,369	50,346	51,595	55,745	64,101	67,664	16,520	16,711	16,825	17,608	105,521	115,283	26,500	27,873	28,753	32,157	1
25,210	24,890	23,059	27,239	25,658	25,903	7,194	6,661	5,657	6,391	59,962	63,790	15,377	15,541	14,847	18,025	2
12,673	14,030	16,380	15,344	18,441	19,338	4,195	4,643	5,416	5,083	29,528	31,100	6,686	7,459	8,789	8,166	3
527	467	573	404	950	665	233	171	154	106	722	655	187	145	173	151	4
3,008	3,942	5,438	4,051	6,370	6,713	1,231	1,604	2,113	1,765	8,016	8,211	1,498	1,976	2,828	1,909	5
1,047	1,253	1,862	1,494	1,781	1,826	336	391	567	532	3,325	3,365	624	764	1,135	842	6
1,493	1,627	1,732	1,780	1,174	1,266	286	318	329	333	3,241	3,651	824	888	985	955	7
2,376	2,602	2,680	3,213	1,939	2,206	467	532	560	648	6,413	7,107	1,576	1,708	1,726	2,097	8
4,177	4,103	4,080	4,374	6,168	6,609	1,623	1,600	1,689	1,697	7,640	8,055	1,957	1,970	1,932	2,196	9
45	37	15	28	60	53	19	28	4	2	170	56	21	8	10	17	10
10,486	11,426	12,156	13,162	20,003	22,423	5,131	5,407	5,752	6,134	16,031	20,393	4,437	4,873	5,118	5,966	11
5,269	5,528	5,970	6,499	8,763	8,165	1,996	1,777	2,200	2,193	8,645	11,978	2,821	2,824	2,942	3,530	12
4,815	5,605	5,788	6,353	11,202	14,224	3,135	3,629	3,552	3,908	5,799	7,260	1,451	1,765	1,878	2,166	13
402	293	398	311	38	34	.....	1	.....	33	1,587	1,155	304	284	297	269	14
-50,894	-57,300	-59,491	-62,005	-71,687	-85,814	-18,441	-20,907	-22,682	-23,785	-112,770	-124,530	-28,157	-31,431	-31,590	-33,353	15
-26,153	-28,482	-27,767	-29,911	-21,493	-24,863	-5,510	-6,141	-6,468	-6,744	-72,442	-77,522	-18,348	-19,783	-18,691	-20,700	16
-11,210	-13,139	-13,740	-12,326	-16,911	-18,157	-4,125	-4,631	-4,964	-4,438	-26,339	-26,570	-5,911	-6,989	-7,135	-6,535	17
-1,685	-1,582	-1,640	-1,565	-968	-749	-170	-138	-266	-175	-6,461	-5,365	-1,400	-1,375	-1,291	-1,300	18
-2,543	-3,908	-4,160	-2,975	-4,040	-4,455	-919	-1,217	-1,348	-971	-6,896	-7,442	-1,362	-2,179	-2,233	-1,668	19
-1,060	-1,508	-1,652	-1,236	-2,002	-2,371	-441	-644	-698	-588	-2,035	-2,184	-440	-614	-671	-459	20
-1,557	-1,782	-1,861	-1,829	-1,481	-1,618	-348	-407	-432	-431	-3,435	-3,806	-858	-969	-1,017	-963	21
-670	-713	-749	-793	-1,316	-1,433	-334	-364	-369	-366	-1,188	-1,390	-321	-321	-352	-396	22
-3,452	-3,402	-3,443	-3,680	-6,999	-7,423	-1,881	-1,817	-1,831	-1,893	-5,651	-5,624	-1,342	-1,353	-1,377	-1,551	23
-242	-245	-235	-248	-105	-109	-32	-43	-21	-13	-674	-758	-189	-178	-193	-199	24
-13,531	-15,679	-17,984	-19,768	-33,283	-42,794	-8,806	-10,135	-11,250	-12,603	-13,989	-20,439	-3,898	-4,659	-5,764	-6,118	25
-2,383	-3,447	-5,272	-5,619	-4,939	-9,122	-1,346	-1,983	-2,744	-3,049	-2,849	-7,377	-1,040	-1,424	-2,437	-2,476	26
-7,700	-8,819	-9,011	-9,998	-22,169	-26,767	-5,795	-6,616	-6,799	-7,557	-6,412	-7,790	-1,680	-1,964	-2,182	-2,182	27
-3,448	-3,413	-3,701	-4,151	-6,175	-6,905	-1,665	-1,536	-1,707	-1,997	-4,728	-5,272	-1,178	-1,271	-1,363	-1,460	28
370	463	431	414	1,475	1,285	316	341	349	279	949	870	169	222	227	252	29
-16	-16	-51	-34	.....	.....	.....	.....	.....	.....	-4	.....	.....	.....	.....	.....	30
-213	-214	-215	-213	-134	-138	-35	-35	-35	-34	-310	-477	-118	-119	-120	-120	31
599	692	697	661	1,608	1,423	350	375	384	314	1,263	1,348	288	341	347	372	32
-8,953	13,506	-9,038	-13,348	-45,133	13,602	7,868	21,271	-6,311	-9,226	-29,306	-24,340	-14,739	-6,172	-1,321	-2,109	33
-321	2,294	381	844	-2	.....	.....	.....	.....	.....	-1,003	3,198	-321	2,294	381	844	34
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	35
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	36
-321	2,294	381	844	-2	.....	.....	.....	.....	.....	-1,003	3,198	-321	2,294	381	844	37
38	-119	62	-84	124	123	1	-3	7	119	-13	12	2	16	-7	1	39
-96	-136	-97	-213	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	40
131	8	158	127	118	118	.....	.....	.....	118	1	1	.....	1	.....	.....	41
3	10	(*)	2	7	5	1	-3	7	(*)	-14	11	2	15	-7	1	42
-8,670	11,331	-9,480	-14,107	-45,255	13,479	7,867	21,274	-6,318	-9,344	-28,290	-27,550	-14,420	-8,482	-1,695	-2,953	43
-12,329	-2,247	-3,628	-1,199	-13,886	-4,556	-7,070	1,859	-78	733	-7,794	-12,254	-4,031	-3,183	-2,906	-2,134	44
1,058	4,259	-3,093	-5,661	-52,879	18,966	13,119	12,167	-2,310	-4,010	-15,744	-16,041	-9,021	-5,919	-62	-1,039	45
4,726	-2,510	65	n.a.	9,042	n.a.	4,804	-2,218	-1,223	n.a.	-6,857	n.a.	-578	-228	1,785	n.a.	46
-2,125	11,829	-2,824	-7,247	12,468	-2,294	-2,986	9,466	-2,707	-6,067	2,105	-234	-790	848	-512	220	47
51,693	16,690	28,970	39,052	71,154	108,099	33,043	18,425	22,161	34,470	35,408	28,490	20,997	-1,429	8,209	713	48
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	49
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	50
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	51
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	52
-184	-40	-110	210	-75	35	-9	26	-36	53	-178	-235	-247	-44	6	50	53
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	54
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	55
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	56
5,658	5,390	7,806	15,076	6,504	12,422	-1,123	2,386	1,823	9,336	13,307	17,773	4,294	2,584	5,598	5,298	57
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	58
13,188	6,748	10,949	7,235	23,532	32,301	9,857	7,111	10,261	5,072	3,335	4,482	2,846	-177	395	1,418	59
2,410	1,406	2,022	n.a.	11,292	n.a.	1,664	1,997	574	n.a.	1,155	n.a.	661	-1,122	1,491	n.a.	60
18 30,621	18 3,186	18 8,303	18 16,531	18 29,901	18 59,106	18 22,654	18 6,905	18 9,539	18 20,008	18 17,789	18 5,440	18 13,442	18 -2,669	18 719	18 -6,052	61
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	62
-40,586	-23,705	-12,467	-19,859	-19,909	-104,835	-39,306	-35,841	-10,342	-19,347	197	4,228	-4,770	10,937	-4,278	2,339	63
-943	-3,592	-4,708	-2,672	4,165	1,040	1,684	520	-811	-353	-12,480	-13,732	-2,971	-4,242	-3,844	-2,675	64
1,464	891	2,640	3,018	1,530	1,180	70	13	452	646	3,189	4,530	775	470	1,654	1,631	65
521	-2,701	-2,068	346	5,695	2,220	1,754	533	-359	293	-9,291	-9,202	-2,196	-3,772	-2,190	-1,044	66
-3,045	-4,253	-5,829	-6,606	-13,280	-20,371	-3,675	-4,728	-5,499	-6,469	2,042	-46	539	214	-646	-152	67
-2,524	-6,954	-7,896	-6,260	-7,586	-18,150	-1,921	-4,196	-5,858	-6,176	-7,249	-9,248	-1,657	-3,558	-2,837	-1,196	68
370	463	431	414	1,475	1,285	316	341	349	279	949	870	169	222	227	252	69
-2,154	-6,491	-7,465	-5,846	-6,111	-16,866	-1,605	-3,855	-5,508	-5,897	-6,300	-8,378	-1,488	-3,337	-2,610	-943	70

Table 10.—U.S. International

[Millions]

Line	(Credits +; debits -) ¹	Eastern Europe						Canada	
		1993	1994 ^P	1994				1993	1994 ^P
				I	II	III ^r	IV ^P		
1	Exports of goods, services, and income	8,062	7,298	1,607	1,859	1,956	1,875	128,079	144,160
2	Merchandise, adjusted, excluding military ²	6,182	5,343	1,155	1,389	1,460	1,339	101,194	115,120
3	Services ³	1,729	1,844	426	422	496	499	16,573	15,716
4	Transfers under U.S. military agency sales contracts ⁴	3	5	(*)	3	(*)	2	144	147
5	Travel	479	546	101	146	163	135	7,458	6,322
6	Passenger fares	110	109	27	29	30	23	1,191	1,044
7	Other transportation	608	576	136	121	142	177	999	1,056
8	Royalties and license fees ⁵	36	46	10	10	12	14	1,254	1,261
9	Other private services ⁵	459	530	147	110	139	135	5,450	5,842
10	U.S. Government miscellaneous services	35	33	4	4	11	14	77	44
11	Income receipts on U.S. assets abroad	151	112	27	48	(*)	37	10,312	13,324
12	Direct investment receipts	-108	-227	-49	-10	-93	-75	4,005	5,351
13	Other private receipts	164	175	37	50	38	50	6,293	7,968
14	U.S. Government receipts	95	164	39	8	55	62	13	5
15	Imports of goods, services, and income	-4,873	-7,407	-1,409	-1,798	-1,909	-2,290	-126,376	-148,714
16	Merchandise, adjusted, excluding military ²	-3,524	-5,829	-1,091	-1,407	-1,441	-1,890	-113,310	-131,647
17	Services ³	-1,068	-1,107	-229	-288	-337	-253	-8,869	-9,385
18	Direct defense expenditures	-6	-3	(*)	-1	-1	-1	-87	-65
19	Travel	-247	-251	-37	-78	-100	-36	-3,692	-3,826
20	Passenger fares	-135	-162	-23	-50	-59	-30	-260	-309
21	Other transportation	-384	-365	-91	-78	-92	-104	-764	-863
22	Royalties and license fees ⁵	-11	-17	-3	-6	-4	-4	-96	-77
23	Other private services ⁵	-254	-267	-68	-67	-67	-66	-3,773	-4,076
24	U.S. Government miscellaneous services	-31	-42	-7	-9	-14	-12	-197	-168
25	Income payments on foreign assets in the United States	-281	-471	-89	-103	-131	-148	-4,197	-7,682
26	Direct investment payments	9	(*)	1	-1	(*)	(*)	35	-2,691
27	Other private payments	-71	-141	-25	-29	-43	-44	-2,721	-3,024
28	U.S. Government payments	-219	-330	-65	-73	-88	-104	-1,511	-1,967
29	Unilateral transfers, net	-1,745	-2,869	-519	-1,359	-496	-495	-312	-368
30	U.S. Government grants ⁴	-741	-1,880	-235	-1,108	-260	-278	.....	.....
31	U.S. Government pensions and other transfers	-34	-35	-9	-9	-9	-9	-420	-432
32	Private remittances and other transfers ⁶	-971	-954	-276	-242	-227	-209	108	64
33	U.S. assets abroad, net (increase/capital outflow (-))	-2,787	-438	-249	860	-426	-623	-20,272	-13,699
34	U.S. official reserve assets, net ⁷ .....	.....	.....	.....	.....	.....	.....	.....	(*)
35	Gold .....	.....	.....	.....	.....	.....	.....	.....	.....
36	Special drawing rights .....	.....	.....	.....	.....	.....	.....	.....	.....
37	Reserve position in the International Monetary Fund .....	.....	.....	.....	.....	.....	.....	.....	.....
38	Foreign currencies .....	.....	.....	.....	.....	.....	.....	.....	(*)
39	U.S. Government assets, other than official reserve assets, net	-1,740	10	41	639	-245	-425	48	121
40	U.S. credits and other long-term assets	-1,600	-1,143	-67	-60	-54	-962	.....	.....
41	Repayments on U.S. credits and other long-term assets ⁸	7	871	.....	860	(*)	11	41	120
42	U.S. foreign currency holdings and U.S. short-term assets, net	-147	281	108	-161	-191	525	6	1
43	U.S. private assets, net	-1,047	-447	-289	221	-182	-198	-20,320	-13,821
44	Direct investment	-1,118	-773	-521	-146	-177	71	-2,394	-4,580
45	Foreign securities	-651	-37	-11	-4	-10	-12	-14,438	-6,575
46	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	24	n.a.	.....	2	48	n.a.	1,605	n.a.
47	U.S. claims reported by U.S. banks, not included elsewhere	698	409	243	369	53	-256	-5,093	966
48	Foreign assets in the United States, net (increase/capital inflow (+))	3,607	2,321	-545	3,793	650	-1,578	10,914	13,021
49	Foreign official assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	1,555	1,830
50	U.S. Government securities	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)
51	U.S. Treasury securities ⁹	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)
52	Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)
53	Other U.S. Government liabilities ¹¹	3	-1	2	-1	(*)	-2	-31	-21
54	U.S. liabilities reported by U.S. banks, not included elsewhere	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)
55	Other foreign official assets ¹²	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)
56	Other foreign assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	9,359	11,191
57	Direct investment	75	51	-10	71	-7	-3	2,783	4,044
58	U.S. Treasury securities	(18)	(18)	(18)	(18)	(18)	(18)	(17)	(17)
59	U.S. securities other than U.S. Treasury securities	28	41	51	10	-1	-19	-1,742	126
60	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	-133	n.a.	17	21	-10	n.a.	549	n.a.
61	U.S. liabilities reported by U.S. banks, not included elsewhere	18 3,634	18 2,201	18 -605	18 3,692	18 668	18 -1,554	(17)	(17)
62	Allocations of special drawing rights .....	.....	.....	.....	.....	.....	.....	.....	.....
63	Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed)	-2,264	1,094	1,115	-3,356	225	3,111	7,968	5,600
64	Memoranda: .....	.....	.....	.....	.....	.....	.....	.....	.....
65	Balance on merchandise trade (lines 2 and 16)	2,658	-486	64	-18	19	-551	-12,116	-16,527
66	Balance on services (lines 3 and 17)	661	737	197	135	159	247	7,704	6,331
67	Balance on goods and services (lines 64 and 65)	3,319	251	261	117	178	-305	-4,412	-10,196
68	Balance on investment income (lines 11 and 25)	-130	-359	-63	-55	-131	-111	6,115	5,642
69	Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67) ¹³	-390	-108	198	61	47	-415	1,703	-4,554
70	Unilateral transfers, net (line 29)	-1,745	-2,869	-519	-1,359	-496	-495	-312	-368
71	Balance on current account (lines 1, 15, and 29 or lines 68 and 69) ¹³	1,444	-2,977	-321	-1,297	-449	-910	1,391	-4,922

See footnotes on page 98.

Transactions, by Area—Continued

of dollars]

Canada				Latin America and Other Western Hemisphere						Japan						Line
1994				1993	1994 ^P	1994				1993	1994 ^P	1994				
I	II	III ^r	IV ^P			I	II	III ^r	IV ^P			I	II	III ^r	IV ^P	
32,938	37,217	35,350	38,655	133,484	154,391	35,269	37,184	39,404	42,534	79,960	89,860	21,200	21,627	24,094	22,939	1
26,108	29,931	27,892	31,189	78,198	92,104	20,943	22,483	23,349	25,329	46,684	51,819	12,604	12,565	13,359	13,291	2
4,152	4,100	3,839	3,625	28,073	29,667	6,944	6,841	7,834	8,048	27,445	31,173	7,241	7,440	8,892	7,601	3
29	37	56	25	237	243	61	47	69	66	538	611	98	369	59	85	4
1,774	1,835	1,521	1,192	13,419	13,746	3,080	3,094	3,705	3,867	9,631	11,294	2,597	2,549	3,576	2,572	5
353	255	217	219	2,335	2,325	694	689	865	777	4,726	5,358	1,258	1,253	1,633	1,214	6
242	255	274	287	2,905	3,150	708	771	790	881	2,998	3,286	722	791	850	923	7
277	294	315	375	973	1,136	255	255	282	344	4,040	4,574	1,003	1,108	1,194	1,269	8
1,469	1,406	1,446	1,522	7,577	8,228	2,117	1,954	2,087	2,071	5,506	5,988	1,552	1,370	1,531	1,536	9
10	18	10	7	127	138	30	30	36	42	6	63	11	2	49	1	10
2,678	3,186	3,620	3,841	27,213	32,620	7,382	7,860	8,221	9,157	5,831	6,868	1,355	1,622	1,844	2,047	11
1,002	1,185	1,445	1,720	14,496	15,991	3,975	3,984	4,034	3,997	1,782	3,015	445	721	854	995	12
1,671	2,001	2,175	2,121	12,061	16,236	3,240	3,809	4,105	5,082	3,444	3,424	809	757	960	898	13
5	(*)	(*)	(*)	656	393	167	67	82	78	605	429	101	144	30	154	14
-32,636	-37,505	-37,475	-41,098	-116,439	-138,169	-31,439	-33,275	-35,600	-37,856	-134,057	-155,706	-35,484	-37,049	-40,386	-42,788	15
-29,298	-33,346	-32,227	-36,776	-75,173	-88,550	-20,161	-21,615	-22,910	-23,864	-107,228	-119,136	-27,942	-28,391	-30,629	-32,174	16
-1,815	-2,364	-3,143	-2,063	-22,201	-23,460	-5,848	-5,533	-5,893	-6,187	-14,071	-15,544	-3,785	-3,686	-4,127	-3,947	17
-20	-14	-15	-15	-358	-343	-86	-78	-88	-91	-1,126	-1,178	-270	-319	-289	-300	18
-454	-958	-1,776	-638	-12,145	-12,632	-3,219	-2,906	-3,083	-3,424	-2,924	-3,128	-737	-762	-852	-777	19
-71	-70	-110	-58	-2,068	-2,147	-515	-488	-570	-532	-2,412	-2,412	-111	-122	-145	-154	20
-189	-212	-218	-244	-1,971	-2,092	-473	-529	-543	-547	-4,887	-5,292	-1,260	-1,246	-1,457	-1,329	21
-19	-17	-19	-22	-103	-157	-41	-46	-34	-37	-926	-1,097	-232	-211	-287	-368	22
-1,018	-1,029	-971	-1,059	-5,214	-5,644	-1,419	-1,375	-1,452	-1,398	-3,623	-4,192	-1,149	-1,005	-1,038	-1,000	23
-43	-63	-35	-27	-343	-447	-95	-112	-124	-116	-60	-124	-26	-21	-59	-18	24
-1,524	-1,795	-2,105	-2,259	-19,065	-26,159	-5,430	-6,127	-6,797	-7,805	-12,758	-21,026	-3,757	-4,972	-5,630	-6,667	25
-435	-571	-848	-838	286	-1,033	-148	-245	-313	-327	2,319	-2,412	-8	-319	-937	-1,148	26
-653	-778	-743	-850	-14,846	-19,871	-3,882	-4,542	-5,290	-6,157	-5,120	-5,919	-1,165	-1,570	-1,311	-1,873	27
-436	-446	-514	-571	-4,505	-5,255	-1,400	-1,340	-1,194	-1,321	-9,957	-12,695	-2,584	-3,083	-3,382	-3,646	28
-104	-78	-101	-85	-8,715	-8,219	-2,024	-2,063	-2,001	-2,132	-182	-151	-58	-25	-46	-22	29
.....	.....	.....	.....	-2,013	-1,533	-361	-459	-367	-345	(*)	1	1	.....	.....	.....	30
-107	-108	-108	-108	-761	-712	-149	-133	-120	-310	-47	-49	-12	-12	-13	-12	31
3	30	7	24	-5,942	-5,975	-1,514	-1,472	-1,513	-1,477	-135	-103	-47	-13	-33	-11	32
-9,367	-5,293	961	-1	-21,664	-55,139	-16,100	-15,227	-10,341	-13,471	18,784	-14,999	-17,643	3,578	1,548	-2,482	33
(*)	.....	.....	.....	.....	.....	.....	.....	.....	.....	820	2,853	-96	1,168	-29	1,810	34
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	35
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	36
(*)	.....	.....	.....	.....	.....	.....	.....	.....	.....	820	2,853	-96	1,168	-29	1,810	37
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	38
118	3	-4	5	1,039	427	174	164	141	-53	-13	13	-13	25	(*)	1	39
.....	.....	.....	.....	-2,381	-1,019	-288	-176	-269	-287	.....	.....	.....	.....	.....	.....	40
120	.....	(*)	.....	3,442	1,484	464	338	446	236	.....	.....	.....	.....	.....	.....	41
-3	3	-4	5	-22	-38	-2	2	-35	-2	-13	13	-13	25	(*)	1	42
-9,485	-5,296	965	-5	-22,703	-55,566	-16,273	-15,391	-10,483	-13,418	17,977	-17,865	-17,534	2,386	1,577	-4,294	43
-1,503	366	-916	-2,527	-15,003	-18,475	-7,789	-4,476	-3,277	-2,932	-1,766	-3,740	-1,031	-336	-1,421	-952	44
-4,237	-682	-1,724	68	-9,140	-20,199	-6,052	-11,357	1,160	-3,950	-2,303	-16,569	-12,661	-4,139	1,547	-1,316	45
-3,328	12	-316	n.a.	3,784	n.a.	-1,883	1,737	-7,381	n.a.	-879	n.a.	-865	414	579	n.a.	46
-417	-4,992	3,921	2,454	-2,344	-9,365	-549	-1,295	-985	-6,536	22,924	2,316	-2,977	6,447	872	-2,026	47
1,473	3,755	7,755	38	24,448	61,232	19,936	5,728	-6,486	42,054	34,506	55,038	11,053	10,348	27,507	6,130	48
-1,158	1,950	3,269	-2,231	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	49
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	50
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	51
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	52
19	-28	-22	10	-27	-22	38	6	-31	-35	163	-6	-114	-308	526	-110	53
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	54
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	55
2,631	1,805	4,486	2,269	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	56
284	526	1,033	2,201	-131	4,433	1,244	-643	1,547	2,284	-446	6,523	643	1,097	1,496	3,287	57
(17)	(17)	(17)	(17)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	58
-96	-133	78	277	23,005	4,077	6,090	175	-2,694	506	15,350	6,715	-1,803	3,320	4,315	883	59
-136	219	-116	n.a.	-3,842	n.a.	2,965	1,053	7	n.a.	972	n.a.	133	-178	2,176	n.a.	60
(17)	(17)	(17)	(17)	18 5,442	18 48,720	18 9,600	18 5,137	18 -5,316	18 39,299	18 18,466	18 39,675	18 12,194	18 6,417	18 18,995	18 2,069	61
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	62
7,696	1,905	-6,491	2,490	-11,114	-14,096	-5,643	7,653	15,024	-31,129	989	25,958	20,932	1,520	-12,718	16,224	63
-3,190	-3,415	-4,335	-5,587	3,025	3,554	782	868	439	1,465	-60,544	-67,317	-15,338	-15,826	-17,270	-18,883	64
2,337	1,736	696	1,563	5,872	6,206	1,097	1,308	1,941	1,861	13,374	15,630	3,456	3,755	4,765	3,654	65
-853	-1,679	-3,639	-4,024	8,897	9,760	1,879	2,176	2,380	3,326	-47,170	-51,687	-11,882	-12,072	-12,505	-15,229	66
1,155	1,391	1,515	1,582	8,148	6,461	1,952	1,733	1,425	1,352	-6,927	-14,158	-2,402	-3,350	-3,786	-4,620	67
302	-289	-2,124	-2,443													

Table 10.—U.S. International

[Millions]

Line	(Credits +; debits -) ¹	Australia					
		1993	1994 ²	1994			
				I	II	III ³	IV ⁴
1	Exports of goods, services, and income	14,935	17,018	3,577	4,178	4,519	4,743
2	Merchandise, adjusted, excluding military ²	8,109	9,554	2,080	2,296	2,680	2,498
3	Services ³	3,855	4,052	849	1,020	1,041	1,143
4	Transfers under U.S. military agency sales contracts ⁴	259	413	54	173	62	124
5	Travel	1,428	1,408	282	350	397	379
6	Passenger fares	513	404	86	100	100	132
7	Other transportation	281	301	67	71	80	82
8	Royalties and license fees ⁵	469	537	115	112	145	165
9	Other private services ⁵	902	984	243	227	254	260
10	U.S. Government miscellaneous services	3	5	3	(*)	2	(*)
11	Income receipts on U.S. assets abroad	2,972	3,412	648	863	799	1,103
12	Direct investment receipts	2,185	2,400	447	592	599	763
13	Other private receipts	787	1,012	201	271	200	340
14	U.S. Government receipts	(*)	(*)	(*)	(*)		
15	Imports of goods, services, and income	-5,687	-5,280	-1,214	-1,249	-1,418	-1,398
16	Merchandise, adjusted, excluding military ²	-3,297	-3,198	-725	-778	-860	-835
17	Services ³	-2,214	-1,999	-529	-449	-505	-516
18	Direct defense expenditures	-40	-43	-8	-9	-15	-12
19	Travel	-719	-779	-222	-176	-191	-190
20	Passenger fares	-346	-417	-109	-86	-105	-117
21	Other transportation	-668	-245	-61	-60	-62	-63
22	Royalties and license fees ⁵	-24	-14	-5	-4	-3	-3
23	Other private services ⁵	-382	-458	-107	-106	-121	-125
24	U.S. Government miscellaneous services	-35	-43	-18	-8	-9	-7
25	Income payments on foreign assets in the United States	-176	-83	40	-22	-54	-47
26	Direct investment payments	50	189	88	47	24	30
27	Other private payments	-157	-193	-35	-54	-49	-55
28	U.S. Government payments	-69	-79	-13	-15	-29	-22
29	Unilateral transfers, net	-74	-89	-27	-20	-23	-20
30	U.S. Government grants ⁴						
31	U.S. Government pensions and other transfers	-26	-27	-7	-7	-7	-7
32	Private remittances and other transfers ⁶	-48	-62	-20	-13	-16	-14
33	U.S. assets abroad, net (increase/capital outflow (-))	-6,529	-2,284	562	-507	835	-3,174
34	U.S. official reserve assets, net ⁷						
35	Gold						
36	Special drawing rights						
37	Reserve position in the International Monetary Fund						
38	Foreign currencies						
39	U.S. Government assets, other than official reserve assets, net	4	3	2	1	(*)	
40	U.S. credits and other long-term assets						
41	Repayments on U.S. credits and other long-term assets ⁸	2	1	1	1		
42	U.S. foreign currency holdings and U.S. short-term assets, net	2	1	1	(*)	(*)	
43	U.S. private assets, net	-6,532	-2,286	560	-508	835	-3,174
44	Direct investment	-1,719	-1,475	-411	-507	-258	-300
45	Foreign securities	-3,846	-2,672	-106	-1,066	-1,026	-474
46	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	-67	n.a.	148	26	-62	n.a.
47	U.S. claims reported by U.S. banks, not included elsewhere	-900	1,749	929	1,039	2,181	-2,400
48	Foreign assets in the United States, net (increase/capital inflow (+))	-1,724	3,739	-557	2,666	-1,189	2,819
49	Foreign official assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)
50	U.S. Government securities	(18)	(18)	(18)	(18)	(18)	(18)
51	U.S. Treasury securities ⁹	(18)	(18)	(18)	(18)	(18)	(18)
52	Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)
53	Other U.S. Government liabilities ¹¹	-17	-177	75	-151	-28	-74
54	U.S. liabilities reported by U.S. banks, not included elsewhere	(18)	(18)	(18)	(18)	(18)	(18)
55	Other foreign official assets ¹²	(18)	(18)	(18)	(18)	(18)	(18)
56	Other foreign assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)
57	Direct investment	465	1,148	-105	-150	480	922
58	U.S. Treasury securities	(18)	(18)	(18)	(18)	(18)	(18)
59	U.S. securities other than U.S. Treasury securities	-203	693	284	135	204	70
60	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	341	n.a.	-8	66	-155	n.a.
61	U.S. liabilities reported by U.S. banks, not included elsewhere	18 -2,310	18 2,172	18 -803	18 2,765	18 -1,690	18 1,900
62	Allocations of special drawing rights						
63	Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed)	-921	-13,103	-2,341	-5,068	-2,724	-2,970
64	Memoranda:						
65	Balance on merchandise trade (lines 2 and 16)	4,812	6,356	1,355	1,518	1,820	1,663
66	Balance on services (lines 3 and 17)	1,641	2,053	320	571	536	626
67	Balance on goods and services (lines 64 and 65)	6,453	8,409	1,675	2,089	2,356	2,289
68	Balance on investment income (lines 11 and 25)	2,796	3,329	688	840	745	1,056
69	Balance on goods, services, and income (lines 1 and 15 or lines 66 and 67) ¹³	9,248	11,738	2,363	2,929	3,101	3,345
70	Unilateral transfers, net (line 29)	-74	-89	-27	-20	-23	-20
71	Balance on current account (lines 1, 15, and 29 or lines 68 and 69) ¹³	9,174	11,649	2,336	2,909	3,078	3,325

See footnotes on page 98.

Transactions, by Area—Continued

of dollars]

Other countries in Asia and Africa						International organizations and unallocated ¹⁶								Line
1993	1994 ^P	1994				1993	1994 ^P	1994						
		I	II	III ^r	IV ^P			I	II	III ^r	IV ^P			
156,175	167,732	39,940	40,006	43,286	44,500	12,212	13,424	3,348	3,212	3,284	3,580	1		
105,018	113,382	26,652	27,533	28,606	30,591	224	90	2			88	2		
37,070	38,844	9,641	8,928	10,620	9,656	4,747	4,678	1,263	1,137	1,134	1,144	3		
7,027	6,311	1,451	1,355	1,743	1,762							4		
6,482	7,198	1,477	1,861	2,342	1,518							5		
1,293	1,582	342	408	519	314							6		
6,439	6,876	1,569	1,629	1,834	1,843	975	594	252	152	108	82	7		
1,803	2,020	456	479	508	576	1,064	1,191	263	284	299	345	8		
13,756	14,515	4,255	3,148	3,600	3,513	2,707	2,893	749	702	726	717	9		
271	342	91	49	73	130	1	1		(*)	1	(*)	10		
14,086	15,506	3,648	3,545	4,060	4,254	7,241	8,656	2,083	2,075	2,150	2,348	11		
9,642	10,337	2,380	2,475	2,672	2,810	1,141	1,293	273	285	249	485	12		
3,303	4,139	1,011	916	1,050	1,162	5,561	6,922	1,708	1,681	1,791	1,742	13		
1,141	1,030	257	154	338	282	539	442	101	109	111	121	14		
-201,374	-227,245	-48,834	-53,671	-63,201	-61,540	-2,841	-3,733	-924	-848	-981	-979	15		
-165,962	-187,856	-39,852	-44,330	-52,989	-50,685							16		
-21,675	-23,676	-5,590	-5,627	-6,163	-6,296	-1,809	-1,846	-585	-487	-459	-316	17		
-2,009	-1,897	-552	-450	-424	-472							18		
-6,647	-7,183	-1,607	-1,705	-1,924	-1,947							19		
-2,644	-2,968	-695	-720	-739	-814							20		
-6,333	-7,021	-1,581	-1,647	-1,935	-1,858	-983	-600	-245	-158	-117	-81	21		
-54	-43	-9	-10	-12	-13	-248	-489	-194	-104	-111	-80	22		
-3,367	-3,857	-978	-935	-942	-1,002	-577	-755	-144	-225	-230	-155	23		
-621	-707	-169	-160	-187	-190	-1	-2	-1	(*)	(*)	-1	24		
-13,737	-15,713	-3,391	-3,714	-4,049	-4,559	-1,033	-1,887	-339	-362	-523	-663	25		
196	-306	81	-89	-206	-92	1,188	342	206	200	14	-78	26		
-5,190	-6,723	-1,352	-1,569	-1,757	-2,045	-1,860	-1,962	-477	-492	-482	-511	27		
-8,743	-8,684	-2,120	-2,056	-2,086	-2,422	-361	-267	-68	-70	-55	-74	28		
-13,750	-13,533	-2,587	-2,589	-2,774	-5,583	-8,155	-9,752	-2,024	-2,107	-2,703	-2,919	29		
-9,903	-9,669	-1,471	-1,765	-1,735	-4,699	-1,192	-952	-166	-191	-395	-200	30		
-376	-379	-95	-94	-95	-96	-1,162	-1,505	-130	-53	-581	-741	31		
-3,471	-3,485	-1,022	-731	-945	-789	-5,801	-7,296	-1,728	-1,862	-1,727	-1,978	32		
-21,746	-13,451	-1,720	-4,858	-8,093	1,221	1,010	-2,935	137	-526	-1,056	-1,491	33		
						-581	53	-105	143	162	-148	34		
						-537	-441	-101	-108	-111	-121	35		
						-44	494	-3	251	273	-27	36		
												37		
												38		
944	349	194	73	178	-96	-879	-1,011	-161	-284	-242	-324	39		
-817	-1,081	-135	-232	-318	-397	-879	-1,011	-161	-284	-242	-324	40		
1,868	1,763	298	372	691	402							41		
-107	-334	30	-67	-195	-101							42		
-22,690	-13,800	-1,915	-4,931	-8,272	1,317	2,470	-1,977	403	-385	-976	-1,019	43		
-7,046	-7,402	-2,483	-1,499	-1,632	-1,789	80	-141	-21	2	-79	-43	44		
-11,521	-8,184	-1,441	-714	-3,212	-2,817	-222	46	-145	119	-52	124	45		
-5,287	n.a.	-315	-2,377	-442	n.a.	-15	n.a.	6	9	-18	n.a.	46		
1,164	4,920	2,324	-341	-2,986	5,923	2,627	-1,879	563	-515	-827	-1,100	47		
28,989	38,967	7,139	5,624	18,189	8,015	-2,393	-3,038	498	-978	-1,843	-714	48		
(18)	(18)	(18)	(18)	(18)	(18)	-1	23		9	2	13	49		
(18)	(18)	(18)	(18)	(18)	(18)							50		
(18)	(18)	(18)	(18)	(18)	(18)							51		
(18)	(18)	(18)	(18)	(18)	(18)							52		
1,771	2,772	941	905	235	691	-1	23		9	2	13	53		
(18)	(18)	(18)	(18)	(18)	(18)							54		
(18)	(18)	(18)	(18)	(18)	(18)							55		
(18)	(18)	(18)	(18)	(18)	(18)	-2,392	-3,061	498	-987	-1,845	-727	56		
368	2,057	967	-184	698	576	-1,264	-403	-193	-130	-69	-11	57		
(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	58		
12,173	5,913	1,849	2,375	858	831	-276	515	25	72	21	397	59		
3,951	n.a.	-167	1,516	4,405	n.a.	57	n.a.	55	36	55	n.a.	60		
18 10,726	18 22,470	18 3,549	18 1,011	18 11,993	18 5,917	18 -909	18 -3,319	18 611	18 -965	18 -1,852	18 -1,113	61		
												62		
51,706	47,530	6,062	15,489	12,594	13,386	168	6,034	-1,035	1,247	3,298	2,524	63		
-60,944	-74,474	-13,200	-16,797	-24,383	-20,094	224	90	2			88	64		
15,395	15,168	4,051	3,301	4,456	3,360	2,939	2,832	679	650	676	828	65		
-45,549	-59,306	-9,150	-13,496	-19,927	-16,734	3,163	2,922	681	650	676	916	66		
349	-207	256	-169	11	-306	6,208	6,769	1,744	1,714	1,628	1,685	67		
-45,200	-59,513	-8,893	-13,665	-19,915	-17,040	9,371	9,691	2,424	2,364	2,303	2,600	68		
-13,750	-13,533	-2,587	-2,589	-2,774	-5,583	-8,155	-9,752	-2,024	-2,107	-2,703	-2,919	69		
-58,949	-73,046	-11,480	-16,254	-22,689	-22,622	1,216	-61	400	257	-399	-319	70		

FOOTNOTES TO U.S. INTERNATIONAL TRANSACTIONS TABLES 1-10

General notes for all tables: *P* Preliminary. *R* Revised. *Less than \$500,000 (\pm) n.a. Not available.
D Suppressed to avoid disclosure of data of individual companies.

Table 1:

1. Credits, +; Exports of goods, services, and income; unilateral transfers to United States; capital inflows (increase in foreign assets (U.S. liabilities) or decrease in U.S. assets); decrease in U.S. official reserve assets; increase in foreign official assets in the United States.
 Debits, -; Imports of goods, services, and income; unilateral transfers to foreigners; capital outflows (decrease in foreign assets (U.S. liabilities) or increase in U.S. assets); increase in U.S. official reserve assets; decrease in foreign official assets in the United States.
2. Excludes exports of goods under U.S. military agency sales contracts identified in Census export documents, excludes imports of goods under direct defense expenditures identified in Census import documents, and reflects various other adjustments (for valuation, coverage, and timing) of Census statistics to balance of payments basis; see table 2.
3. Includes some goods: Mainly military equipment in line 4; major equipment, other materials, supplies, and petroleum products purchased abroad by U.S. military agencies in line 18; and fuels purchased by airline and steamship operators in lines 7 and 21.
4. Includes transfers of goods and services under U.S. military grant programs.
5. Beginning in 1982, these lines are presented on a gross basis. The definition of exports is revised to exclude U.S. parents' payments to foreign affiliates and to include U.S. affiliates' receipts from foreign parents. The definition of imports is revised to include U.S. parents' payments to foreign affiliates and to exclude U.S. affiliates' receipts from foreign parents.
6. Beginning in 1982, the "other transfers" component includes taxes paid by U.S. private residents to foreign governments and taxes paid by private nonresidents to the U.S. Government.
7. For all areas, amounts outstanding December 31, 1994, were as follows in millions of dollars: Line 34, 74,335; line 35, 11,051; line 36, 10,039; line 37, 12,030; line 38, 41, 215. Data are preliminary.
8. Includes sales of foreign obligations to foreigners.
9. Consists of bills, certificates, marketable bonds and notes, and nonmarketable convertible and nonconvertible bonds and notes.
10. Consists of U.S. Treasury and Export-Import Bank obligations, not included elsewhere, and of debt securities of U.S. Government corporations and agencies.
11. Includes, primarily, U.S. Government liabilities associated with military agency sales contracts and other transactions arranged with or through foreign official agencies; see table 4.
12. Consists of investments in U.S. corporate stocks and in debt securities of private corporations and State and local governments.
13. Conceptually, the sum of lines 70 and 62 is equal to "net foreign investment" in the national income and product accounts (NIPA's). However, the foreign transactions account in the NIPA's (a) includes adjustments to the international transactions accounts for the treatment of gold, (b) includes adjustments for the different geographical treatment of transactions with U.S. territories and Puerto Rico, and (c) includes services furnished without payment by financial pension plans except life insurance carriers and private noninsured pension plans. A reconciliation of the balance on goods and services from the international accounts and the NIPA net exports appears in the "Reconciliation and Other Special Tables" section in this issue of the SURVEY OF CURRENT BUSINESS. A reconciliation of the other foreign transactions in the two sets of accounts appears in table 4.5 of the full set of NIPA tables (published annually in the July issue of the SURVEY).
- Additional footnotes for historical data in June issues of the SURVEY:
14. For 1974, includes extraordinary U.S. Government transactions with India. See "Special U.S. Government Transactions," June 1974 SURVEY, p. 27.
15. For 1978-83, includes foreign currency-denominated notes sold to private residents abroad.
16. Break in series. See Technical Notes in the June 1989, June 1990, June 1992, and June 1993 issues of the SURVEY.

Table 2:

1. Exports, Census basis, represent transactions values, f.a.s. U.S. port of exportation, for all years; imports, Census basis, represent Customs values (see Technical Notes in the June 1982 SURVEY), except for 1974-81, when they represent transactions values, f.a.s. foreign port of exportation (see June issues of the SURVEY for historical data). From 1983 forward, both unadjusted and seasonally adjusted data have been prepared by BEA from "actual" and "revised statistical" month data supplied by the Census Bureau (see Technical Notes in the December 1985 SURVEY). Seasonally adjusted data reflect the application of seasonal factors developed jointly by Census and BEA. The seasonally adjusted data are the sum of seasonally adjusted five-digit end-use categories (see Technical Notes in the June 1980 SURVEY, in the June 1988 SURVEY, and in the June 1991 SURVEY). Prior to 1983, annual data are as published by the Census Bureau, except that for 1975-80 published Census data are adjusted to include trade between the U.S. Virgin Islands and foreign countries.
2. Beginning in 1990, the Census Bureau replaced its compiled export statistics with counterpart Canadian import statistics. Similarly, Statistics Canada replaced its compiled export statistics with counterpart U.S. import statistics. This exchange of data has eliminated the need for the inland freight adjustment on U.S. exports, but not on U.S. imports.
3. Adjustments in lines A5 and A13, B12, B47, and B82 reflect the Census Bureau's reconciliation of discrepancies between the merchandise trade statistics published by the United States and the counterpart statistics published in Canada. These adjustments are distributed to the affected end-use categories in section C. Beginning in 1986, estimates for undocumented exports to Canada, the largest item in the U.S.-Canadian reconciliation, are included in Census basis data shown in line A1.
4. Exports of military equipment under U.S. military agency sales contracts with foreign governments (line A6), and direct imports by the Department of Defense and the Coast Guard (line A14), to the extent such trade is identifiable from Customs declarations. The exports are included in tables 1 and 10, line 4 (transfers under U.S. military agency sales contracts); the imports are included in tables 1 and 10, line 18 (direct defense expenditures).
5. Addition of electrical energy; deduction of exposed motion picture film for rental rather than sale; net change in stock of U.S.-owned grains in storage in Canada; coverage adjustments for special situations in which shipments were omitted from Census data; deduction of the value of repairs and alterations to foreign-owned equipment shipped to the United States for repair; and the inclusion of fish exported outside of U.S. customs area. Also includes deduction of exports to the Panama Canal Zone before October 1, 1979, and for 1975-82, net timing adjustments for goods recorded in Census data in one period but found to have been shipped in another (see June issues of the SURVEY for historical data).
6. Deduction of foreign charges for repair of U.S. vessels abroad, which are included in tables 1 and 10, line 21 (other transportation); coverage adjustments for special situations in which shipments were omitted from Census data; and the deduction of the value of repairs and alterations to U.S.-owned equipment shipped abroad for repair. Also includes addition of understatement of inland freight in f.a.s. values of U.S. merchandise imports from Canada in 1974-81; deduction of imports from the Panama Canal Zone before October 1, 1979; and for 1975-82, net timing adjustments for goods recorded in Census data in one period but found to have been shipped in another (see June issues of the SURVEY for historical data).
7. For 1988-89, correction for the understatement of crude petroleum imports from Canada.
8. Annual and unadjusted quarterly data shown in this table correspond to country and area data in table 10, lines 2 and 16. Trade with international organizations includes purchases of nonmonetary gold from the International Monetary Fund, transfers of tin to the International Tin Council (ITC), and sales of satellites to Intelsat. The memoranda are defined as follows: *Industrial countries:* Western Europe, Canada, Japan, Australia, New Zealand, and South Africa; *Members of OPEC:* Venezuela, Ecuador, Iraq, Iran, Kuwait, Saudi Arabia, Qatar, United Arab Emirates, Indonesia, Algeria, Libya, Nigeria, and Gabon (beginning in January 1993, excludes Ecuador); *Other countries:* Eastern Europe, Latin America and Other Western Hemisphere, and other countries in Asia and Africa, less OPEC. Before 1984, complete geographic area detail was not available for some balance of payments adjustments. Therefore, the detail shown does not always sum to the values shown for the area aggregates. For all years, "Asia" and "Africa" exclude certain Pacific Islands and unidentified countries included in "Other countries in Asia and Africa."
9. Includes the former German Democratic Republic (East Germany) beginning in fourth quarter of 1990. In earlier periods, the German Democratic Republic was included in Eastern Europe.
10. Beginning in 1986, New Zealand and South Africa are included in "Other countries in Asia and Africa," with New Zealand included as part of "Asia" and South Africa as part of "Africa."
11. Includes nuclear fuel materials and fuels.

Table 3:

1. Patented techniques, processes, and formulas and other intangible property rights that are used in goods production.
2. Copyrights, trademarks, franchises, rights to broadcast live events, and other intangible property rights.

3. Other unaffiliated services receipts (exports) include mainly expenditures of foreign governments and international organizations in the United States. Payments (imports) include mainly wages of foreign residents temporarily employed in the United States and Canadian and Mexican commuters in U.S. border areas.

Table 4:

1. Expenditures to release foreign governments from their contractual liabilities to pay for military goods and services purchased through military sales contracts—first authorized (for Israel) under Public Law 93-199, section 4, and subsequently authorized (for many recipients) under similar legislation—are included in line A3. Deliveries against these military sales contracts are included in line C10; see footnote 2. Of the line A3 items, part of these military expenditures is applied in lines A40 and A43 to reduce short-term assets previously recorded in lines A38 and C8; this application of funds is excluded from lines C3 and C4. A second part of line A3 expenditures finances future deliveries under military sales contracts for the recipient countries and is applied directly to lines A39 and C9. A third part of line A3, disbursed directly to finance purchases by recipient countries from commercial suppliers in the United States, is included in line A34. A fourth part of line A3, representing dollars paid to the recipient countries to finance purchases from countries other than the United States, is included in line A45.
2. Transactions under military sales contracts are those in which the Department of Defense sells and transfers military goods and services to a foreign purchaser, on a cash or credit basis. Purchases by foreigners directly from commercial suppliers are *not* included as transactions under military sales contracts. The entries for the several categories of transactions related to military sales contracts in this and other tables are partly estimated from incomplete data.
3. The identification of transactions involving direct dollar outflows from the United States is made in reports by each operating agency.
4. Line A35 includes foreign currency collected as interest and line A40 includes foreign currency collected as principal, as recorded in lines A13 and A14, respectively.
5. Includes (a) advance payments to the Department of Defense (on military sales contracts) financed by loans extended to foreigners by U.S. Government agencies and (b) the contraentry for the part of line C10 that was delivered without prepayment by the foreign purchaser. Also includes expenditures of appropriations available to release foreign purchasers from liability to make repayment.
6. Includes purchases of loans from U.S. banks and exporters and payments by the U.S. Government under commercial export credit and investment guarantee programs.
7. Excludes liabilities associated with military sales contracts financed by U.S. Government grants and credits and included in line C2.

Table 5:

1. Petroleum includes, and manufacturing and "other" industries exclude, the exploration, development, and production of crude oil and gas, and the transportation, refining, and marketing of petroleum products, exclusive of petrochemicals. "Other" industries includes wholesale trade; banking; finance (except banking), insurance, and real estate; services; and other industries—agriculture, forestry, and fishing; mining; construction; transportation, communication, and public utilities; and retail trade.
2. Acquisition of equity holdings in existing and newly established companies, capital contributions, capitalization of intercompany debt, and other equity contributions.
3. Sales (total and partial), liquidations, returns of capital contributions, and other dispositions of equity holdings.
4. Beginning with the second quarter of 1994, payments and receipts of interest related to interest rate swaps between a U.S. affiliate and its foreign parent group are netted and are shown as either a net payment or net receipt. In prior quarters, they are shown on a gross basis. Estimates for prior quarters will be placed on a net basis in June 1995.

Table 6:

1. Primarily provincial, regional, and municipal.
2. Largely transactions by International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), International Finance Corporation (IFC), Asian Development Bank (ADB), and Inter-American Development Bank (IDB).
3. Estimate for scheduled redemptions and identifiable early retirements. Includes estimates based on Canadian statistics for redemptions of Canadian issues held in the United States. Unidentified and nonscheduled retirements appear in line A30.

Table 7:

1. Deposits (line A5) include other financial claims (line A6) for some countries due to the commingling of these categories in foreign source data.

Table 8:

1. Includes central governments and their agencies and corporations; state, provincial, and local governments and their agencies and corporations; and international and regional organizations.
2. U.S.-owned banks are mainly U.S.-chartered banks and Edge Act subsidiaries. U.S. brokers' and dealers' accounts may be commingled in some categories. Foreign-owned banks include U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States.
3. Commercial paper issued in the U.S. market by foreign incorporated entities; excludes commercial paper issued through foreign direct investment affiliates in the United States.
4. Negotiable and readily transferable instruments other than commercial paper, payable in dollars; consists largely of negotiable certificates of deposit.
5. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.
6. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.
7. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Beginning in January 1993, excludes Ecuador.
8. Includes Eastern Europe and international and regional organizations.

Table 9:

1. Negotiable certificates of deposit issued by banks in the United States are included in banks' custody liabilities and are separately identified in memorandum line 8. Nonnegotiable certificates of deposit are included in time deposits.
2. Includes borrowing under Federal funds or repurchase arrangements, deferred credits, and liabilities other than deposits.
3. Mainly negotiable and readily transferable instruments, excluding U.S. Treasury securities.
4. Mainly International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), International Finance Corporation (IFC), Asian Development Bank (ADB), Inter-American Development Bank (IDB), and the Trust Fund of the International Monetary Fund.
5. U.S.-owned banks are mainly U.S.-chartered banks and Edge Act subsidiaries. U.S. brokers' and dealers' liabilities may be commingled in some categories. Foreign-owned banks are U.S. branches and agencies of foreign banks and majority-owned bank subsidiaries in the United States.
6. Western Europe, Canada, Japan, Australia, New Zealand, and South Africa.
7. Bahamas, British West Indies (Cayman Islands), Netherlands Antilles, and Panama.
8. Based on data for Ecuador, Venezuela, Indonesia, and other Asian and African oil-exporting countries. Beginning in January 1993, excludes Ecuador.
9. Includes Eastern Europe and international and regional organizations.

Table 10:

- For footnotes 1-13, see table 1.
14. The "European Union" includes the "European Union (6)," United Kingdom, Denmark, Ireland, Greece, Spain, and Portugal.
15. The "European Union (6)" includes Belgium, France, Germany (includes the former German Democratic Republic (East Germany) beginning in the fourth quarter of 1990), Italy, Luxembourg, Netherlands, European Atomic Energy Community, European Coal and Steel Community, and European Investment Bank.
16. Includes, as part of international and unallocated, the estimated direct investment in foreign affiliates engaged in international shipping, in operating oil and gas drilling equipment internationally, and in petroleum trading. Also includes taxes withheld, current-cost adjustments associated with U.S. and foreign direct investment, and small transactions in business services that are not reported by country.
17. Details not shown separately; see totals in lines 49 and 56.
18. Details not shown separately are included in line 61.